



UPDATED FLOOR REPORT REFLECTING AB 93 AS AMENDED BY AB 123/SB 97

2015-16 BUDGET

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TABLE OF CONTENTS

Overview.....	2
Summary Charts.....	4
Health.....	5
Human Services.....	12
K-12 Education.....	18
Child Care and Development Services.....	20
Higher Education.....	22
Natural Resources.....	28
Transportation.....	54
State Administration.....	56
Public Safety.....	63

OVERVIEW

This report reflects the contents of the 2015-16 Budget package contained in the Budget Conference Committee Report Budget Bill (AB 93) and amended by AB123 / SB 97 to reflect changes reached in negotiations between the Governor and the Legislature. The resulting compromise creates a responsible budget based upon conservative revenue assumptions that still makes targeted new investments to improve California.

The Conference Version of the Budget includes approximately \$115.4 billion in General Fund spending and total reserves of \$4.6 billion. This includes \$1.1 billion in the Regular Reserve and \$3.5 billion in the Rainy Day Fund.

Key Highlights to the 2015-16 Budget Package are:

Building Reserves and Paying Down Debts:

- Includes \$4.6 billion in total reserves, including:
 - \$3.5 billion in the Prop 2 Rainy Day Fund.
 - \$1.1 billion in the regular Budget Reserve.
- Repays \$1.8 billion in Wall of Debt and other debt payments in accordance with Proposition 2.

Investing in Schools and Early Education:

- Increases Prop 98 funding for 2015-16 by over \$14 billion in a mix of one-time and on-going funds above the 2014-15 Budget Act.
- Expands Early Education funding by an ongoing amount of \$265 million. In the budget year, the total cost will be \$235 million, this includes:
 - 13,930 new child care and full-day preschool slots.
 - Rate increases for vouchered child care, preschool, and center-based care.

Increasing CCC, CSU, UC, and Financial Aid funding:

- Increases funding for the CSU by \$97 million, an increase of \$59 million over the May Revision.
- Provides \$25 million increase for the UC, but makes the funds contingent upon the UC increase enrollment of California students by 5,000 over the next two years and capping enrollments of out of state students.
- Increases the number of Competitive Cal Grants awards by 3,250, eliminates the planned cut to Cal Grants for non-profit colleges for two years, and funds the Middle Class Scholarship to cut tuition by 20% for CSU and UC students in the 2015-16 year.

- Provides major increase for Community Colleges including a \$38 million Cal Grant B increase for Community College Students.

Reducing Poverty and Improving Health Care:

- Establishes a state Earned Income Tax Credit that will benefit over two million Californians and lift approximately 50,000 out of poverty and another 50,000 out of deep poverty.
- Funds Medi-Cal services for children regardless of immigration status.

Other Key Issues:

- The Budget Package provides funding for Veterans Services, Seismic Safety Improvements, Arts Council Funding, Local Public Safety and other key programs.

SUMMARY CHARTS

2015-16
General Fund Budget Summary
Conference

(Dollars in Millions)

	2014-15	2015-16
Prior Year Balance	\$5,589.6	\$2,423.2
Revenues and Transfers	\$112,913.0	\$116,886.6
Transfer to BSA	-\$1,606.4	-\$1,854.0
Total Resources Available	\$116,896.2	\$117,455.8
Non-Proposition 98 Expenditures	\$64,865.0	\$65,953.2
Proposition 98 Expenditures	\$49,608.0	\$49,416.3
Total Expenditures	\$114,473.0	\$115,369.5
Fund Balance	\$2,423.2	\$2,086.3
Budget Reserves:		
Reserve for Liquidation of Encumbrances	\$970.6	\$970.6
Special Fund for Economic Uncertainties	\$1,452.6	\$1,115.7
Budget Stabilization Account	\$1,606.4	\$3,460.4
Total Reserves	\$3,059.0	\$4,576.1

HEALTH

Department of Health Care Services:

- **Medi-Cal.** Includes approximately \$91.3 billion (\$18.2 billion General Fund) for the Medi-Cal budget, including, but not limited to, costs associated with the continued implementation of the Affordable Care Act (ACA) (\$1.4 billion General Fund, \$14 billion federal funds), coverage of Behavioral Health Treatment for Autism, and Hepatitis C treatment (\$126 million General Fund). Approves of \$187.4 million in General Fund savings identified as a technical error in the Medi-Cal estimate.
- **Immigration Reform.** Approves, but modifies, the Governor's proposal for \$33.1 million (\$28 million General Fund, \$5.3 million federal funds) for 2015-16 and \$164.4 million (\$138 million General Fund and \$26.4 million federal funds) annually in Medi-Cal for spending associated with the provision of full-scope Medi-Cal coverage to eligible individuals receiving deferred action status under the President's executive actions. Assumes a 24-month phase in, in place of the Governor's 12-month phase in, resulting in savings of \$11 million General Fund.
- **Federal Health Care Reform.** Approves of 6.0 limited-term positions and \$716,000 (\$129,000 General Fund, \$587,000 federal funds) for 2015-16 and \$547,000 (\$78,000 General Fund, \$469,000 federal funds) for 2016-17 to support the continued implementation and ongoing work of the ACA. Also includes \$1,959,000 (\$980,000 General Fund, \$979,000 federal funds) for 2015-16 and \$1,797,000 (\$899,000 General Fund, \$898,000 federal funds) on-going to establish 18.0 new 3-year limited-term positions to address increased workload in the Administration Division/Accounting Section resulting from federally-mandated reporting requirements.
- **Palliative Care.** Expands the existing pediatric palliative care pilot program, for savings of \$1,356,000 (\$857,500 General Fund, \$498,500 federal funds) for 2015-16. Also includes \$125,000 (\$63,000 General Fund, \$62,000 federal funds) in 2015-16 and \$116,000 (\$58,000 General Fund, \$58,000 federal funds) in 2016-17 and 1.0 2-year limited-term position to implement SB 1004 (Hernandez, Chapter 574, Statutes of 2014) requiring the establishment of minimum standards for eligibility for, and delivery of, palliative care services concurrent with curative services by Medi-Cal managed care plans.
- **Limited Scope Programs.** Denies proposed trailer bill restricting eligibility for the Major Risk Medical Insurance Program and the Genetically Handicapped Person's Program, and approves trailer bill requiring the provision of information on comprehensive coverage to applicants to Every Woman Counts, Family PACT, and IMPACT.
- **Skilled Nursing Quality Assurance Fee.** Approves of trailer bill to: 1) Change the sunset date on the AB 1629 rate setting methodology, Quality Assurance Fee (QAF), and Quality Accountability Supplemental Payment (QASP) programs from July 31, 2015 to July 31, 2020; 2) Sets the annual increase in the weighted average Medi-Cal reimbursement rate at 3.62 percent; 3) Sets QASP program payments at the 2014-15 level of approximately \$90 million per year; 4) Requires DHCS to include direct care

staff retention in quality and accountability measures; and 5) Requires DHCS to report to the Legislature on the quality and accountability payments.

- **Budget Change Proposals.** Approves of resources for various issues and programs, including Drug Medi-Cal workload, Recovery and Treatment Services, Performance Outcome System, Office of Health Information Technology, Medi-Cal Eligibility Data System, financial audits, 1115 Waiver, Hospital Quality Assurance Fee, Intergovernmental Transfer Growth, Ombudsman, and Martin Luther King Jr. Hospital.
- **Trailer Bill.** Approves of trailer bill on various programs including: Children's Health & Disability Program dental referrals, Health Homes, Ground Emergency Medical Transportation, Application Assistants Payments, elimination of copays for non-emergency emergency room care, CalHEERS MAGI sunset, Multipurpose Senior Services Program Coordinated Care Initiative timelines, and Major Risk Medical Insurance Program & Guarantee Issue Program cost reconciliations.
- **Family Health Estimate.** Approves of the Family Health Estimate for \$264 million General Fund, for the non-Medi-Cal costs of: Every Woman Counts, California Children's Services, Children's Health & Disability Program, and the Genetically Handicapped Persons Program.
- **County Medi-Cal Administration.** Includes \$49 million (General Fund), proposed by the Governor, and an additional \$31 million General Fund augmentation to fully fund the expected workload for county workers to handle ACA caseload and CalHEERS system challenges. Includes budget bill language allowing the Department of Finance to augment this funding during the budget year if additional savings are identified. Denies trailer bill to eliminate the annual COLA and instead suspends the COLA for the budget year.
- **Caregiver Resource Centers.** Augments the Caregiver Resource Centers budget with \$2 million (General Fund).
- **Urgent Care/Capacity, West Contra Costa.** Includes \$2 million (Major Risk Medical Insurance Fund) to support expanded urgent care hours provided by LifeLong Medical Clinic in Contra Costa County in response to the closure of Doctor's Medical Center.
- **Annual Open Enrollment Denial.** Denies the Governor's proposal to limit Medi-Cal managed care enrollment to an annual open enrollment period, for \$1 million General Fund.
- **Suicide Hotlines.** Requests Supplemental Reporting Language from DHCS by January 10, 2016 on the accessibility of suicide hotlines throughout the state, deficiencies in accessibility and quality of the hotlines, an overview of the funding history of the hotlines, and information on potential future funding strategies.
- **RFK Health Plan.** Includes \$2.5 million (Major Risk Medical Insurance Fund) for the Robert F. Kennedy Farm Workers Medical Plan to sustain the plan.

- **Medi-Cal Rates.** Repeals the AB 97 (2011 budget trailer bill) 10 percent rate cut for dental providers, effective July 1, 2015. Beyond dental rates, provides no rate increases as part of the budget package, and defers the issue to an upcoming Extraordinary Legislative Session on improving healthcare.
- **Medi-Cal Coverage Regardless of Immigration Status.** Provides, at an estimated cost of \$40 million General Fund, Medi-Cal coverage for all children who would be eligible for Medi-Cal, if not for immigration status, starting May 1, 2016, and requires DHCS to research the feasibility of a "capped" Medi-Cal coverage program for adults, regardless of immigration status.

Department of Managed Health Care:

- **Mental Health Parity.** Includes 11.0 positions (7.5 permanent and 5.5 two-year limited term) to conduct medical surveys of the 45 health plans affected by the federal Mental Health Parity and Addiction Equity Act of 2008.
- **Individual Market Reforms.** Includes 7.0 permanent positions and \$1,134,000 for 2015-16 and \$1,070,000 for 2016-17 and ongoing to address the increased workload resulting from the revised projected increase in enrollment in the individual market.
- **Large Group Claims Data.** Approves 1.0 permanent position and \$85,000 for 2015-16 and \$148,000 for 2016-17 and ongoing to implement SB 1182 (Leno), Chapter 577, Statutes of 2014, on large group claims data exposure.
- **Dental Plans Medical Loss Ratio.** Includes 1.5 permanent positions and \$189,000 for 2015-16 and \$173,000 for 2016-17 and ongoing to implement AB 1962 (Skinner), Chapter 567, Statutes of 2014, on dental plan medical loss ratios.
- **Health Plan Timeliness Standards.** Includes 25.0 permanent positions and \$3,802,000 for 2015-16 and \$3,594,000 for 2016-17 and ongoing to address the increased workload resulting from the implementation of SB 964 (Chapter 573, Statutes of 2014) on timeliness standards and network adequacy.
- **Rate Review Federal Grant.** Approves of \$589,000 (federal grant) for 2015-16 to implement the Health Insurance Rate Review Cycle IV federal grant

Department of Public Health:

- **WIC Program.** Approves of \$1.2 billion (federal funds) for the WIC program.
- **Genetic Disease Screening Program.** Approves of \$118.6 million for the program and includes 1.0 permanent position and \$1.975 million (Genetic Disease Testing Fund) in 2015-16 to comply with AB 1559 (Pan, Chapter 565, Statutes of 2014) which expands the Newborn Screening Program to include screening for adrenoleukodystrophy (ALD). Adopts trailer bill to prohibit health insurers from not covering the Prenatal Screening fee, or imposing copays or deductibles.

- **Licensing & Certification.** Approves of \$209 million (\$3.7 million General Fund) for the Licensing & Certification Program. Also includes: 1) \$19.8 million in 2015-16 for 237 permanent positions; 2) an increase of \$2 million in 2015-16 from the Internal Departmental Quality Improvement Account to implement quality improvement projects; 3) an increase in expenditure authority of \$14.8 million from the L&C Special Fund to augment the Los Angeles County contract to perform licensing and certification activities in Los Angeles County; and 4) an increase of \$378,000 from the L&C Special Fund and 3.0 positions to provide on-site oversight and perform workload management, training, and quality improvement activities to improve the efficiency and effectiveness of the Los Angeles County contract licensing and certification activities.
- **Licensing & Certification Timelines.** Includes trailer bill to impose time limits on nursing home complaint investigations as follows: July 1, 2016 – 90 days (imminent danger); July 1, 2017 – 90 days (all complaints); and July 1, 2018 – 60 days. Requires DPH to report to the Legislature on the feasibility of reducing the timelines below 60 days and establishes Legislative intent that DPH seek to reduce them below 60 days with a goal of 45 days.
- **Infectious Disease Control.** Approves: 1) \$3 million (General Fund) to support syringe exchange programs; and 2) \$2.2 million (General Fund) for Hepatitis C Linkage to Care Projects for three years.
- **Ebola Preparedness Federal Grant.** Approves of \$15.5 million (federal fund expenditure authority) to support accelerated state and local public health and healthcare facility preparedness and operational readiness for responding to the Ebola virus.
- **Office of AIDS.** Includes \$389 million (non-General Fund) for the AIDS Drug Assistance Program (ADAP), including \$6.5 million (non-General Fund) for Hepatitis C treatments, implements eligibility modernization and enrollment assistance, and provides \$2 million (General Fund) for a Pre-Exposure Prophylaxis outreach grant program.
- **Public Health Laboratory.** Includes one-time capital outlay of \$4,333,000 (General Fund) for a construction project at the DPH Viral and Rickettsial Diseases Laboratory in Richmond California.
- **Budget Change Proposals.** Includes resources for various public health functions, including: food safety, Biomonitoring, tobacco retail inspections, beach inspections, medical waste, Home Visiting, Office of Problem Gambling, and Infant Botulism.
- **Clinical Laboratory Improvement Amendments.** Approves trailer bill to authorize laboratories to use the federally approved quality control testing approach until December 31, 2015.

Department of State Hospitals:

- **State Hospitals.** Approves of a \$1.7 billion (\$1.6 billion General Fund) operating budget for the State Hospitals.
- **Incompetent to Stand Trial (IST) Expansion.** Includes \$17 million (General Fund) to activate 105 new IST beds at Coalinga and Atascadero State Hospitals.
- **Metropolitan State Hospital Security Fence Capital Outlay.** Includes \$3.6 million (General Fund) to provide secured fencing to enclose two buildings and add secured fencing around the adjacent park, in order to increase secure bed capacity by 505 beds.
- **Enhanced Treatment Units Capital Outlay.** Approves of \$11.5 million (General Fund) for renovations to provide 44 Statewide Enhanced Treatment Units (ETUs) at various State Hospitals and trailer bill language that requires DSH to provide to the Legislature all policies and procedures related to the operation of ETUs 60 days prior to activation of the ETUs.
- **State Hospitals Capital Outlay.** Provides \$11 million (General Fund) across all State Hospitals for a variety of capital construction upgrades, such as fire alarm systems, security fencing, and seismic upgrades.
- **Involuntary Medication.** Approves of 9.0 permanent positions and \$2 million (General Fund) to implement an Involuntary Medication authorization process for the Not Guilty by Reason of Insanity (NGI) population. Includes trailer bill to implement this process, and Supplemental Reporting Language that requires DSH to report to the Legislature, on or before April 1, 2016, an assessment of the department's current and ongoing funding needs for the workload associated with involuntarily medicating NGI patients.
- **Restoration of Competency (ROC) Expansion.** Approves of \$10.1 million (General Fund) to expand the ROC program. Includes trailer bill language to streamline the process for DSH to sign contracts with counties to implement ROC in additional counties.
- **Coleman Expansion.** Approves \$4.6 million (General Fund) and 38.2 positions for the activation of a 30-bed unit at Vacaville to provide both intermediate care and acute treatment for Coleman patients. Requires Supplemental Reporting Language from DSH, on or before January 10, 2016, detailing the steps they have taken to provide Coleman patients with treatment consistent with constitutional mandates.
- **LPS Expansion.** Includes \$8.3 million (reimbursements from counties) to support 67.1 positions and activate a 40-bed Lanterman-Petris-Short (LPS) unit at Metropolitan State Hospital.
- **Napa Earthquake.** Approves of \$5.7 million (General Fund) and \$17.2 million (Federal Emergency Management Agency (FEMA) funds) to repair damages sustained at Napa State Hospital (NSH) during the August 2014 earthquake. Also approves of \$1 million (General Fund) and \$3 million (FEMA funds) for the seismic retrofit of the NSH Plant

Operations Building #145 that houses facilities support staff and their equipment used to conduct necessary repairs and maintenance work at NSH. Requires Supplemental Reporting Language, on or before January 10, 2016, in consultation with the Department of General Services and the Alfred E. Alquist Seismic Safety Commission, describing the seismic safety of all State Hospital facilities.

- ***Hepatitis C Treatment.*** Approves of \$6.3 million (General Fund) for Hepatitis C treatment costs in the State Hospitals.

Emergency Medical Services Authority:

- ***Emergency Preparedness.*** Approves of \$500,000 General Fund and 2.0 permanent positions to re-establish the southern California component of the California Medical Assistance Team, stabilize existing disaster medical preparedness programs, and coordinate joint activities with the Department of Public Health's Emergency Preparedness Office, including catastrophic event planning and emergency operations center planning and development.
- ***Document Imaging.*** Includes 1.0 permanent Office Technician, 3.0 Seasonal Clerks and \$366,000 (Emergency Medical Services Personnel Fund) in 2015-16 to address increased workload associated with the document imaging of paramedic licensure and enforcement files.

Mental Health Services Oversight & Accountability Commission:

- ***Advocacy Contracts.*** Augments the Commission's budget by \$1 million in Proposition 63 state administration funds for competitive bid contracts to support mental health advocacy on behalf of youth, veterans, and racial and ethnic minorities.

California Health Facilities Financing Authority

- ***Peer Respite Programs.*** Adopts trailer bill to authorize the Health Facilities Financing Authority to use up to \$3 million in unencumbered Mental Health Wellness Grant funds for peer respite programs.

Office of Statewide Health Planning & Development:

- ***Elective Percutaneous Coronary Intervention.*** Approves of 2.0 permanent positions, and \$372,000 in 2015-16 and \$319,000 ongoing from the California Health Data and Planning Fund for the implementation of SB 906 (Correa), Chapter 368, Statutes 2014, which establishes the Elective Percutaneous Coronary Intervention (PCI) Program and requires OSHPD to produce annual risk-adjusted public performance reports on participating hospital's PCI-related mortality, stroke, and emergency Coronary Artery Bypass Graft outcomes.

California Health Benefit Exchange:

- ***Emergency Regulations.*** Approves of trailer bill to extend Covered California's current emergency regulations and its Board's rulemaking authority until January 2017, and to provide limited statutory exemptions from the Administrative Procedure Act's rulemaking requirements.

HUMAN SERVICES

Department of Social Services

- Approves the Governor's May Revision State Earned Income Tax Credit (EITC) proposal, adding Budget Bill Language and Supplemental Reporting Language on reporting, as well as Legislative intent language on expanding the credit in future years if budget conditions permit. This targeted credit will provide a refundable tax credit for wages and would focus on the lowest-income Californians or households with incomes less than \$6,580 if there are no dependents or \$13,870 if there are three or more dependents. The credit would match 85 percent of the federal credit at the lowest income levels, providing an average estimated household benefit of \$460 annually for 825,000 families, representing two million individuals, with a maximum benefit of \$2,653. The EITC results in decreased General Fund revenues of \$380 million annually; the Franchise Tax Board's budget was increased by \$21.9 million for purposes of administering the credit.
- Approves restoration of the 7 percent reduction in IHSS hours, effective July 1, 2015. The cost for the restoration is \$226 million, which is funded with General Fund in 2015-16 and with the proceeds of the restructured Managed Care Organization (MCO) tax in 2016-17 and ongoing.
- Approves proceeding with the implementation of overtime for the In-Home Supportive Services (IHSS) program, as is currently prescribed by state law and funded in the Governor's Budget and May Revision. Approved the Department of Social Services (DSS) BCP related to FLSA implementation and Case Management, Information and Payrolling System (CMIPS) II changes. The costs for the eight staff resources in the BCP in 2015-16 is \$513,000 General Fund (\$1 million total funds).
- Provides \$15 million General Fund in 2015-16 and on-going for the CalWORKs Housing Support Program. This augments the \$20 million appropriation that was included in the 2014 Budget Act. Adopts trailer bill language related to program administration.
- Approves Supplemental Reporting Language (SRL) requiring DSS to convene a workgroup to monitor implementation of major program changes in the CalWORKs program, focusing on the effects of the reduced Welfare to Work services clock and time on aid for adults pursuant to Senate Bill 1041 of 2012.
- Approves the Governor's budget proposal for Relative and Foster Parent Recruitment, Retention, and Support and additional funding of \$15 million General Fund. This amount augments the \$2.8 million General Fund (\$3.8 million total funds) for these purposes that the Governor included to further the Continuum of Care Reform efforts.
- Approves the Governor's Budget proposal for the Foster Family Agency Social Worker Rate Increase, which provides \$4.2 million General Fund (\$5.8 million total funds).
- Approves \$15 million General Fund for a new program at DSS to provide services for undocumented persons to assist in their naturalization efforts, assist Deferred Action for Childhood Arrivals (DACA) and Deferred Action for Parents of Americans and Lawful

Permanent Residents DAPA cases, and to provide resources for outreach and education regarding immigration remedies.

- Approves the Governor's proposal for Community Care Licensing "Next Phase Quality Enhancement and Program Improvement," with \$3 million General Fund and 28.5 positions, ramping up in later years, to address a backlog of complaint cases and expand training and technical assistance in CCL. Beginning in January 2017, DSS will increase inspection frequency to every three years for all facilities, every two years by 2018 for all facility types except child care, and annually by 2019 for adult day care and residential care facilities for the elderly. The ongoing staffing costs after full implementation under this proposal would be approximately \$14 million General Fund, with a total of 145 new permanent positions approved to achieve this new licensing standard. Requires DSS to report on the implementation of increased inspections, including an analysis of what it would mean to require annual inspections for all facilities.
- Approves trailer bill language as placeholder defining the Adult Protective Services (APS) position that was approved and funded as part of the 2014 Budget.
- Approves the Governor's staffing request to Detect Registered Sex Offenders in Out of Home Care, or the requested conversion of four two-year limited-term positions set to expire June 30, 2015 to permanent at a cost of \$364,000 General Fund (\$443,000 total funds). These positions currently handle the workload of conducting address matches of the Department of Justice's California Sex Offender and Arson Registry (CSAR), the Licensing Information System (LIS), and the Child Welfare Services Case Management System (CWS/CMS), pursuant to recommendations issued in two reports (2008 and 2011) from the Bureau of State Audits.
- Approves the Governor's requested trailer bill language on fingerprint fee exemptions.
- Approves the Governor's Spring Finance Letter requesting resources to implement the Child Victims of Human Trafficking requirements.
- Approves the Governor's requested trailer bill language on Employment Development Department data sharing.
- Approves the Governor's requested resources to comply with federal oversight requests on Supplemental Nutrition Assistance Program-Education (SNAP-Ed). The budget includes six permanent positions (costing \$747,000, all federal funds) to provide a higher level of program management and oversight and create a new Technical Assistance and Program Compliance unit for the. SNAP-Ed is a 100 percent federally funded program, with California receiving \$136 million, the highest grant allocation for any state in the country.
- Approves the Governor's requested resources of a two-year extension of nine limited-term positions for the continued support and oversight of the Coordinated Care Initiative (CCI) as it relates to the IHSS program, for a cost of \$505,000 General Fund (\$1 million total funds). The CCI proposed to shift 1.2 million seniors and persons with disabilities who are beneficiaries of both Medi-Cal and Medicare (dual eligible) into managed care, integrating all services inclusive of medical care and long-term supports and services (LTSS).

- Approves the Governor's requested resources of one permanent position at DSS (costing \$87,000 General Fund, \$129,000 total funds) to implement the provisions of AB 1978, Chapter 768, Statutes of 2014, which requires the DSS to collaborate with labor and the County Welfare Directors Association to develop and implement a confidential process whereby child welfare social workers can inform DSS of local policies, procedures, or practices that endanger the welfare of a child.
- Approves the Governor's requested resources associated with implementing Legislation Related to Residential Care Facilities for the Elderly (RCFEs). The budget includes 8.8 permanent and 5.3 limited-term positions, for a total of 14.1 in 2015-16, at a cost of \$2.3 million General Fund to implement recently enacted legislation. This body of new law increases civil penalties for licensed facilities throughout the state and, for RCFEs, prohibits problem licensees from admitting new residents, strengthens residents' personal rights, and expands training to increase compliance.
- Approves the Governor's requested resources associated with implementing Legislation Related to Group Home Complaints. The budget includes two permanent and 4.5 limited-term positions, for a total of 6.5 in 2015-15, at a total cost of \$726,000 General Fund to implement AB 388, Chapter 760, Statutes of 2014. The legislation requires DSS to include in its annual listing of licensed community care facilities the number, types and outcomes of licensing complaints made by facility staff or children in group homes and other youth residential facilities.
- Approves the Governor's requested resources associated with preparing for Implementation of the Home Care Services Consumer Protection Act. The budget includes a General Fund loan of \$5.5 million to the Home Care Fund, utilizing \$4.3 million for staff resources (25.5 permanent, 11.5 limited-term for a total of 37 positions in 2015-16). The administration states that the General Fund will be repaid with fee revenue in future years. These resources will enable to timely implementation of AB 1217, Chapter 790, Statutes of 2013, which requires DSS to regulate home care organizations and provide for background checks of affiliated, and independent, home care aides who wish to be listed on a registry. Implementation will begin on January 1, 2016.
- Approves the Governor's requested trailer bill language on realignment technical clean-up, to address accounting and procedural issues raised by the Controller and counties. No substantive changes to realigned amounts are made as part of this legislation.
- Approves the May Revision proposal related to the CalWORKs Welfare to Work 24 Month Clock estimate changes and the trailer bill language associated with long-term sanction cases as placeholder.
- Approves the May Revision proposals related to Child Welfare Services Case Record Reviews, Child Welfare Training Program Performance Data, and Psychotropic Medication for Children in Foster Care. Approve the trailer bill language on the Intensive Treatment Foster Care Rate.
- Approves the May Revision proposal related to Drought Food Assistance Program and CalFresh Reporting Simplification/Elimination of Change Reporting, with further trailer bill changes as proposed by advocates to require California to utilize the maximum federally allowed reporting periods.

- Approves clean-up trailer bill language on the Approved Relative Caregiver program as placeholder and reject, without prejudice, the Child Near Fatalities trailer bill language to allow for more time after the budget process to review and resolve this issue.

California Department of Aging, California Senior Legislature

- Approves \$1 million General Fund on-going for the State Long-Term Care Ombudsman Program, and conform to Senate action to additionally increase funding by \$1.4 million, with \$1 million as a one-time shift from the State Health Facilities Citation Penalties Account and \$400,000 from a Licensing and Certification fee increase for Skilled Nursing Facilities.
- Approves the administration's revised trailer bill language as placeholder for the Multipurpose Senior Services Program Transition Timeline.
- Approves the administration's trailer bill language for the Successor Fund Designation with the California Senior Legislature.
- Approves the Department of Aging's Spring Finance Letters related to the Medicare Improvements for Patients and Providers Act 2014 Grant, Aging and Disability Resource Connection Program, and the Supplemental Nutrition Assistance Program Education Program Extension.

Health and Human Services Agency

- Approves a May Revision proposal to establish permanent funding for the Horizontal Integration positions to assist in the integration of state IT systems.
- Approves of \$1.965 million General Fund, \$600,000 one-time reimbursement authority, and 15.0 permanent positions to establish a Professional Standards Section, a Vertical Advocate Unit within the Office of Law Enforcement Support (OLES), and reimbursable services contracts for subject-matter expertise with the California Highway Patrol and the Office of the Inspector General. Includes trailer bill that requires the OLES to investigate specified incidents at developmental centers and state hospitals and require specified incidents to be reported immediately to OLES. Requires OLES to consult with the designated protection and advocacy agency, advocates, clients, and relatives prior to the adoption of policies and procedures on the investigative role of OLES. Requires OLES to provide oversight of investigations conducted by DSH and DDS, as specified. Requires OLES to annually report to the Governor and Legislature summarizing its investigations.
- Approves trailer bill language to require the Office of System Integration to consider options for migrating Medi-Cal eligibility computerized logic into all, two or one of the SAWS computerized eligibility systems used by counties.

Department of Developmental Services

- Approves Governor's May Revise plan to initiate and develop closure plans for the remaining Developmental Centers.
 - Support proposed closure plan provided by the Governor with additional trailer bill to provide further protection for residents transitioning into the community.
- Includes \$49.3 million (\$46.9 million General Fund) to begin development of resources in the community to support the transition of those moving out of the Sonoma Developmental Center.
- Provides \$13.2 million General Fund to backfill the loss of Federal Medical Reimbursement for the four Intermediate Care Facilities (ICF) that were voluntarily decertified at the Sonoma Developmental Center. The state is currently in negotiations with the federal government to continue federal funding, however, it is not anticipated that the settlement will include funding for the withdrawn ICF units.
- Approves costs related to the Program Improvement Plans at the Fairview and Porterville Developmental Centers, including a \$1.2 million decrease in Reimbursement Authority offset by a \$1.2 million increase in General Fund spending.
- Approves Administration's proposed funding for expansion of the Secure Treatment Program (STP) at Porterville DC with modified trailer bill language that includes the following:
 - Caps the number of beds in the STP at 211.
 - Maintains a cap on beds and includes provisions related to the length of stay for residents of the Transitional Treatment Unit.
 - Includes supplemental reporting language to require the Department to report back on the length of stay for residents of the transition program and the future need for additional capacity.
- Approves trailer bill language related to the utilization of delayed egress and secure perimeter facilities, which includes the following:
 - Caps the total number of beds at 150.
 - Requires a minimum of 50 beds to be used for persons deemed incompetent to stand trial.
 - Prohibits more than half of the facilities that house the incompetent to stand trial population from exceeding six beds.
- Approves May Revision caseload and utilization increases, including a \$120.8 million total fund and \$82.9 million General Fund increase in purchase of services and operations funding for Home and Community Based Services.

- Provides \$9.8 million General Fund to reflect expanded eligibility for the Early Start Program.
- Provides continued support for residents transitioning from a developmental center into the community.
- Includes \$43.2 million General Fund to support the AB 10, Chapter 351, Statutes of 2013, minimum wage increase.
- Includes \$15.3 million General Fund to support AB 1522, Chapter 317, Statutes of 2014, which provides paid sick days for an employee who works in California for more than 30 days in a calendar year.
- Approves trailer bill language to begin plans for Shannon's Mountain, an affordable housing facility for the developmentally disabled, at the Fairview Developmental Center.
- Approves budget bill and trailer bill language to clarify that persons transitioning from the developmental centers are eligible for the Self-Determination Program, authorizes the Department of Finance to approve an increase in the number of participants, and requires 30-day notice to the Joint Legislative Budget Committee prior to approval of the transfer of funds.
- Clarifies the responsibility of a regional center when a consumer is placed in an Institution for Mental Disease (IMD), regardless of who makes the placement and requires an IMD to notify a regional center if it is known that a person placed in the facility is a regional center consumer.

Department of Rehabilitation

- Provides authority for 31 positions and the associated funding for the expansion of the Work Incentive Planners Program.

Community Services and Development

- Approves \$7.5 million for Farmworker Assistance as part of the Emergency Drought Response package.

Department of Child Support Services

- Approves the May Revise adjustments and estimate changes for Child Support Services.
- Continues the Suspension of Performance and Health Insurance Incentive Payments to counties. The incentives have been suspended for twelve years and are being redeveloped at this time.

K-12 EDUCATION

- Approves a Proposition 98 funding guarantee level of \$68.4 billion in 2015-16.
- Provides \$6 billion in Local Control Funding Formula (LCFF) funding to accelerate the implementation of LCFF, conforming to the Prop. 98 Package.
- Provides \$2.7 billion for K-12 Mandates Backlog payoff, conforming to the Prop. 98 Package.
- Provides \$500 million for Educator Effectiveness and related trailer bill. Of this total, \$490 million is to be used for the following:
 - Beginning teacher and administrator support and mentoring;
 - Professional development, coaching, and support services for teachers who have been identified as needing improvement or additional support;
 - Professional development for teachers and administrators that is aligned to the state academic content standards;
 - Promote educator quality and effectiveness, including, but not limited to, training on mentoring and coaching certificated staff and training certificated staff to support effective teaching and learning;

As a condition of receiving funds, local educational agencies must develop and adopt a plan for expenditure of funds. Funds may be expended through the 2017-18 fiscal year. Of the total \$10 million is provided to the K-12 High Speed Network to provide professional development and training related to network management and infrastructure.

- Approves the \$400 million proposed in the Governor's Budget and May Revision for the Career Technical Incentive Grant program and trailer bill language with the following changes:
 - Provide competitive grants in three sizes (based on high school, grades 7 to 12, average daily attendance) related spans (0-140, 140-550, over 550).
 - Require higher weighting of applicants who do not have a CTE program, serve low income, English learner, and foster youth students, have a high dropout rate, or are located in areas with high unemployment rates.
 - Provide \$350,000 General Fund for three years (until June 30, 2018) and 2.0 positions to support the Career Technical Education Incentive Grant Program.
- Provides \$50 million in Broadband Infrastructure Improvement Grants (BIIG). Adopts related budget bill language that requires projects over \$1,000 per test-taking student to be contingent upon approval of the Department of Finance with notification to the Joint Legislative Budget Committee. Any remaining funds available, after all reasonable solutions have been funded for school sites that meet BIIG priorities, may be used to fund under-connected school sites upon approval of the Department of Finance with

notification to the Joint Legislative Budget Committee. The K-12 High Speed Network would be required to submit a report to the budget committee of the Legislature, State Department of Education, State Board of Education, and the Department of Finance by October, 2016 on the projects funded, costs, and future needs.

- Approves the Governor's \$64 million Special Education May Revision Plan with the LAO recommendation to make the funding for the Office of Administrative Hearings one-time.
- Provides \$10 million to augment the foster youth services program pursuant to legislation enacted in 2015 that aligns program requirements to reflect the establishment of the LCFF.
- Provides \$4.583 million in reappropriated one-time Proposition 98 funding for school districts that previously received Quality Education Investment Act (QEIA) Funds, but do not qualify for concentration grant funding under the Local Control Funding Formula. Adopt budget bill language stating Legislative intent that this is the final allocation of funds on the basis of the QEIA eligibility.
- Adopts trailer bill language stating the intent to require, once the Local Control Funding Formula is fully implemented, local educational agencies to report to the Superintendent of Public Instruction for compilation on the Department of Education website, the following: 1) the amount of funds received on the basis of the number and concentration of unduplicated pupils and 2) the amount of LCFF funds expended on unduplicated pupils.
- Adopts language to add homeless youth as a pupil subgroup for purposes of the development of Local Control and Accountability Plans.
- Provides \$300,000 in reappropriated one-time Proposition 98 funds for an evaluation of the Los Angeles Unified Schools District's Academic English Mastery Program.
- Provides an additional \$500,000 in reappropriated one-time Proposition 98 funds for the Student Friendly Service college planning website. This augmentation will help offset a structural deficit in the operations and maintenance of the CaliforniaColleges.edu website, which is the state's official inter-segmental college and career planning website. This is additional to \$500,000 in ongoing funds for this funding provided in the May Revision.
- Adopts language that clarifies that a school district will not be required to remit out of its General Fund any amount owed pursuant to an audit for mandates paid.
- Adopts language that would address the expiration of the flexibility (at the end of the current year) for the school district Restricted Routine Maintenance Account by allowing for a three-year phase in of this requirement.
- Provides \$550,000 in one-time General Fund to allow the Superintendent of Public Instruction to contract for a Kindergarten Implementation Report pursuant to AB 1719.
- Adopts budget bill language in the 6110-113-0001 item that allows for \$1.5 million of savings from the Smarter Balanced Assessment Consortia Contract to first be used to fund Assessment Fellow, a professional team of assessment consultants under CDE who assist local entities with assessment implementation. If private funding is available to

support the Assessment Fellows, these savings may then be used for training related to the California Assessment of Student Performance and Progress (CAASPP) resources, tools, and training modules, and for digital library resources specific to the use of Smarter Balanced assessments.

Commission on Teacher Credentialing

- Approves the Governor's proposal to provide \$5 million in non-Proposition 98 General Fund to the Commission on Teacher Credentialing (CTC) to update the California Teacher Performance Assessment and develop an Administrator Performance Assessment. The funding would be provided over a two-year period, with \$4 million appropriated in 2015-16.
- Approves the Governor's proposal to provide \$5 million in non-Proposition 98 General Fund to the CTC to fund a data system for accreditation, with \$3.5 million appropriated in the 2015-16 budget. This is aligned with the CTC's Feasibility Study Report. Approve the following Supplemental Report Language for this issue:

The Commission on Teacher Credentialing shall report by January 1, 2016, to the fiscal committees of both houses of the Legislature, the Department of Finance, and the Legislative Analyst's Office on the progress made on streamlining the Accreditation System. The report shall include, but not be limited to, the data included in the new Accreditation System, how the Commission will collect the data, how the data will streamline the accreditation process and reduce the associated administrative burden for educator preparation programs and Commission on Teacher Credentialing staff, the ongoing fiscal effect of the new Accreditation System, and how changes to the accreditation process will affect accreditation fees.

- Approves Budget Bill Language included in the May Revision to require a working group to produce a report identifying options for streamlining and reforming beginning teacher induction.
- Approves a May Revision request to increase teacher credential fees to \$100 and provide an increase of expenditure authority of \$4.5 million from the Teacher Credentials Fund. Adopt implementing trailer bill language as proposed, to be refined as necessary.

Early Education and Child Development

- Includes a \$235 million (\$165 General Fund and \$70 million Proposition 98) in the Budget Year, which would grow to \$265 million total funds in 2016-17 (\$165 million General Fund and \$100 million Proposition 98) and beyond. This comprehensive package serves as meaningful step toward the goal of fully restoring funding for these programs. The package contains the following provisions:
 - **Increasing Child Development Program Rates:**
 - 5 percent increase to the Statewide Reimbursement Rate for center-based care (effective January 1, 2016)

- 4.5 percent across-the-board rate increase for voucher child care rates. (Effective, October 1, 2015)
- 5 percent additional across-the-board increase to the existing Licensed Exempt Rate (Effective October 1, 2016)
- **Increase Slots:** The Legislative Plan continues the rebuilding of the State's capacity with an additional 13,930 slots. These include:
 - 7,130 Full-Day Preschool slots, with wrap-around care (Starting January 1, 2016). Of these slots, 5,830 would be for full day preschool at Local Educations Agencies and 1,200 would be available for non-LEA contractors.
 - 6,800 Alternative Payment vouchered child care slots (Starting January 1, 2016)
- **Improving Quality:** The Legislative Plan has large investments in the fundamental infrastructure necessary to build, improve, and maintain quality early education capacity at all levels. This multi-pronged approach contains several provisions:
 - \$24.2 million of one-time funding to support the QRIS related grants for infant toddler programs.
 - Appropriating \$300,000 for the Resource and Referral Networks to create a Consumer Education Website Statewide Database.
 - Eliminating the Sunset on the San Francisco Child Care Pilot.
 - Adopting stakeholder Trailer Bill language proposed by the Department of Finance.
 - Streamlining administrative flexibility by consolidating preschool contracts for full day care provided by local educational agencies.
 - Adopt Supplemental Reporting Language to analyze a refundable dependent care credit to increase access to child development programs for middle class families.

HIGHER EDUCATION**University of California**

- Provides UC with an additional \$25 million General Fund above the Governor's proposed January funding level if UC increases enrollment by 5,000 California undergraduate students in 2015-16 or 2016-17.
- States legislative intent that the university use revenues from increases in nonresident enrollment and tuition levels to support increased enrollment of California students. Also states that the university can use financial aid previously awarded to nonresident students to support increased enrollment of California students.
- Requires UC to report to the Legislature and Administration by April 1, 2016, on its use of state General Funds to improve systemwide and campus graduation rates for low-income and underrepresented student populations.
- Requires UC to improve transparency regarding its budget by posting information on the University of California Office of the President website that details subcategories of personnel within the Managers and Senior Professional personnel category, and breaks out personnel categories by funding source.
- Requires UC to provide a report to the Legislature and Governor by Dec. 1, 2015 that identifies all university fund sources legally allowable to support educational costs for undergraduate, graduate academic, and graduate professional education. The report shall also identify the factors UC considers to determine which fund sources to use for educational activities as well as how much funding to use.
- Requires UC to implement further measures to reduce the university's cost structure, including using state executives' salaries as a comparison to university executives when setting compensation levels for UC senior management.
- Approves \$96 million in Proposition 2 funding and requires UC to reform its pension system to comply with state pensionable salary cap. Also requires UC to report on its use of this funding in compliance with Proposition 2, and declares that this funding is not an ongoing state obligation to UC's pension fund.
- Approves \$25 million one-time General Fund for deferred maintenance projects.
- Approves \$6 million General Fund to support UC Labor Centers.
- Approves \$1 million for Wildlife Health Center at UC Davis for grants to local marine mammal stranding networks.
- States that UC's appropriation includes funding to support the California Dream Loan Program.
- Directs UC to continue plans to develop a medical school at UC Merced and states that UC shall expend up to \$1 million from their main appropriation toward this purpose.

California State University

- Provides \$97 million General Fund above the Governor's proposed January funding level, as requested by CSU. Also adopts budget bill language stating legislative intent that CSU increase enrollment by 10,400 full-time equivalent students by Fall 2016 and spend at least \$11 million on increasing the number of tenure-track faculty.
- Requires CSU to report by April 1, 2016 on factors that impact graduation rates for all students, and for low-income and underrepresented student populations.
- Requires CSU to continue planning for a new engineering program at the Channel Islands campus, and states that CSU may allocate up to \$500,000 one-time General Fund for that purpose.
- Adopts trailer bill language requiring the Legislative Analyst's Office to work with CSU on an initial analysis to assess the potential need for new campuses of the university. The report would be due on January 1, 2017. Language could also require the same work be done with the University of California, with a report due January 1, 2018.
- Approves \$25 million General Fund for CSU deferred maintenance projects.
- Re-establishes the Center for California Studies as its own budget line item, and augments the center by \$480,000 General Fund to provide cost-of-living adjustment to Fellows program and replace Assembly funding with General Fund.
- Adopts trailer bill language earmarking \$1 million one-time General Fund to conduct a freshman eligibility study for UC and CSU.
- Provides \$250,000 General Fund to California State University Dominguez Hills to support the Mervyn M. Dymally African American Political and Economic Institute.
- Provides \$200,000 for campus financial aid offices to increase awareness of federal teacher loan assumption programs.
- States that CSU's appropriation includes funding to support the California Dream Loan Program.

California Student Aid Commission

- Adopts trailer bill language that increases the number of competitive Cal Grants from 22,500 to 25,750, at an overall cost of \$10 million General Fund in 2015-16.
- Adopts budget bill and trailer bill language maintaining the Cal Grant amount for students at private nonprofit or accredited for-profit schools at \$9,084 for the 2015-16 and 2016-17 school years, at an overall General Fund cost of \$9 million. The award will be reduced to \$8,056 after that.
- Adopts trailer bill language that would alter the Middle Class Scholarship program to implement a \$150,000 asset ceiling, a four- or five-year limit on the award, and allows

asset and income limits to change with the Consumer Price Index. The action also reduces spending levels for the program, and for 2015-16, and states legislative intent that the savings will be redirected to other higher education programs.

- Approves \$15 million General Fund to replace expiring federal funding for the Cal SOAP, APLE and Cash for College programs.
- Approves \$840,000 General Fund and three positions to begin the Grant Delivery System information technology project.
- Approves trailer bill language to comply with federal regulations that require independent institutions of higher education to receive state authorization to operate in California, including requirements to develop a student complaint process, in order to receive federal student aid.
- Approves \$95,000 General Fund and one position to implement Cal Grant C improvements.
- Approves \$1.9 million from College Access Tax Credit Fund to provide \$8 increase to Cal Grant B Access Award. Also approves trailer bill language making technical changes to the program and extending the sunset by 1 year.

Awards for Innovation in Higher Education

- Rejects the Governor's proposal for \$25 million General Fund for CSU awards.
- Rejects the Governor's proposal for \$25 million Proposition 98 General Fund for community college awards.

California Community Colleges

- Approves 3% enrollment growth.
- Approves the Basic Skills and Student Outcomes Transformation Program, which will provide \$60 million Proposition 98 General Fund to assist community college districts in improving the delivery of basic skills instruction.
- Provides \$39 Million Proposition 98 General Fund to augment Cal Grant B Access Awards for community college students who take 12 or more units. Based on estimated numbers, this will provide about 85,000 students with an additional \$450.
- Approves \$500 million Proposition 98 General Fund for the Adult Education Block Grant Program, and trailer bill language that caps the amount of funding provided to school districts for adult education on the basis of the maintenance-of-effort certification at \$375 million, specifies that joint powers agencies may participate as adult education consortia members, reduces the role of the Executive Director of the State Board of Education, and allows specific older adult programs pertaining to workforce development or caregiver

programs to be funded by consortia. Also removes language in the Local Control Funding Formula to allow LCFF funds to be used for older adult programs.

- Provides \$25 million in one-time Proposition 98 funds to develop and collect outcomes data relating to the effectiveness of each adult education consortia in meeting the educational and workforce training needs of adults, and adopts trailer bill language to authorize the Chancellor and Superintendent to collaborate on the development of common outcome data collection, and require them to report to the Legislature by November 1, 2015 on its progress.
- Provides a cost-of-living increases to the Disabled Student Programs and Services program, the Student Services for CalWORKS Recipients program, the Campus Childcare Tax Bailout program, and the Extended Opportunity Programs and Services program.
- Provides an additional \$33 million Proposition 98 General Fund to restore the Extended Opportunity Programs and Services to pre-recession levels.
- Establishes the Cooperating Agencies Foster Youth Educational Support Program, as described by Chapter 771, Statutes of 2014 (SB 1023.), within the Student Equity Plans funding, and allows for up to \$15 million to be spent on the program from this funding. The program provides similar services to the EOPS program but is targeted at foster youth. Per statute, the Chancellor's Office will use the funding to enter into agreements with up to 10 community college districts to provide additional funds for services in support of foster youth.
- Allows colleges to spend up to \$5 million to create the Incarcerated Adult Education Project, which will utilize private matching funds to develop community college courses for state prison inmates.
- Provides \$10 million Proposition 98 General Fund to create the Basic Skills Partnership Pilot Program, which will provide five community college districts with \$2-million grants to develop partnerships among schools districts, community colleges and California State University campuses to develop improved strategies to provide remedial education for underprepared college students.
- Provides \$62.3 million Proposition 98 General Fund to increase full-time faculty at colleges and adopts budget bill language that requires colleges with lower faculty numbers to hire more faculty. Additionally, the language requires colleges to use all of the funding on full- or part-time faculty, including part-time faculty office hours.
- Adopts supplemental reporting language requiring the Chancellor's Office to report on ways to improve the percentage of units taught by full-time faculty.
- Provides \$6 million Proposition 98 General Fund to support the implementation of SB 850, Chapter 747, Statutes of 2014, which calls for the development of bachelor's degrees at 15 community college campuses.
- Approves Governor's Budget proposals to increase funding for established apprenticeship programs by \$14 million Proposition 98 General Fund, and provide \$15 million Proposition

98 General Fund to establish new apprenticeship programs in high-demand occupations, such as health care fields. Also approves trailer bill language establishing the new apprenticeship programs but modifies the language to include local educational agencies as well as community colleges.

- Approves placeholder trailer bill language modifying apprenticeship apportionment payments to require notification of allocation within 30 days of the enactment of the Budget Act, and to require the Community College Chancellor's Office to report to the California Apprenticeship Council specific information on participation in apprenticeship programs.
- Approves \$12 million Proposition 98 General Fund for the dissemination of effective practices to colleges, and a \$3 million Proposition 98 General Fund augmentation for technical assistance related to a program seeking to address low-performing colleges.
- Provides \$266.7 million Proposition 98 General Fund for a base apportionment increase.
- Approves \$100 million Proposition 98 General Fund to increase the Student Success and Support Program.
- Approves \$85 million Proposition 98 General Fund to increase funding for student equity plans.
- Approves \$61 million Proposition 98 General Fund for a 1.02% cost-of-living adjustment.
- Approves \$38.8 million Proposition 39 funding for campus energy efficiency projects.
- Approves \$48 million Proposition 98 General Fund for the Career Technical Education Pathways Program.
- Approves \$604 million Proposition 98 General Fund for mandates backlog.
- Approves \$95 million Proposition 98 General Fund to eliminate deferral backlog.
- Approves \$340,000 General Fund and six positions to support student success projects.
- Provides an additional \$3 million one-time Proposition 98 General Fund for the Student Financial Aid Administration.
- Approves \$148 million Proposition 98 General Fund to support deferred maintenance, instructional equipment, and drought resistance programs at colleges.
- Approves trailer bill language allowing all veterans to pay resident tuition costs instead of nonresident tuition.

California State Library

- Increases funding for the adult literacy program by \$2 million General Fund, for a total of \$4.8 million.
- Provides \$4 million General Fund for local library technology grants, which will allow local libraries to upgrade equipment and access broadband Internet services. Also includes additional \$225,000 for Library Broadband Project administrative costs.
- Provides \$1 million General Fund for the Career Online High School, a library program which gives students the opportunity to earn a high school diploma and credentialed career certificate at the same time.
- Approves \$521,000 General Fund and two positions for book preservation activities.

Hastings College of Law

- Augments Hastings budget by \$1 million General Fund to support operational costs.
- Approves \$36.8 million in lease revenue bond funds for new academic building, also require legislative notification before construction begins.

RESOURCES & ENVIRONMENTAL PROTECTION

May Revision Urgency Drought Response

The Governor's May Revision proposed additional resources to continue immediate response to drought impacts and invest in infrastructure intended to make the state's water system more resilient:

- Approves \$162 million for DWR from Proposition 1 and the General Fund to support the following Programs address statewide drought impacts:
 - *Groundwater Sustainability Planning Grants Program*, \$38.750 million Prop 1, Local Assistance (LA);
 - *Agricultural Water Use Efficiency (WUE) Conservation*, \$29.844 million, Prop 1, State; Operations (SO) \$6.344 million and \$23.500 LA;
 - *Desalination Grant Funding Programs*, \$44.459 million, Prop 1, Local Assistance (LA); and
 - *Save Our Water*, \$4 million, GF, SO.
- Approves \$1.5 million (\$500,000 one-time for contracts) and eight positions (General Fund) for SWRCB to address several requirements of the most recent executive order on drought (Governor's Executive Order No. B-29-15) not included in the previous drought funding requests.
- The proposal also requests Proposition 1 funds to provide local assistance resources for the following programs as follows:
 - Groundwater Contamination - \$783 million for competitive grants and loans;
 - Water Recycling - \$132 million for grants and loans;
 - Desalination - \$50 million for grants and loans;
 - Safe Drinking Water - \$180 million for public water system infrastructure improvements and related actions to meet safer drinking water standards;
 - Wastewater Treatment Projects - \$160 million for grants for wastewater treatment projects;
 - \$100 million for grants for stormwater management projects.
- Approves \$22.2 million (General Fund) for Office of Emergency Services to support local jurisdictions using the California Disaster Assistance Act program for approved drought-related projects.
- Approves \$7.5 million (General Fund) for the Department of Community Services and Development to provide emergency relief and support services to economically disadvantaged Migrant and Seasonal Farmworkers (MSFWs) and other low-income populations within California's most drought affected counties.

- Approves \$6 million in General Fund (\$2,170,000 in State Operations and \$3,830,000 in Local Assistance funding for moving costs and 12 months of rental assistance) for Department of Housing and Community Development.
- Requests \$10 million (General Fund) for Department of General Services to provide grants for water conservation projects to departments with facilities not managed by DGS.
- Adopts trailer bill language that provides the necessary tools to assist state and local water entities with the on-going management of the drought, including the following policies:
 - Expanded local enforcement authority—allows local water agencies to issue penalties for violations of local and state water conservation requirements.
 - Drought penalties—allows the water board to separately account for violations of emergency conservation regulations and deposited into the Water Rights Fund.
 - Drought Monitoring and Reporting—requires diversions in excess of ten acre feet per year, with some exceptions, to have a measuring device or a method for measuring.
 - Consolidation of Water Agencies – allows the state water resources control board to require consolidation of or expansion of service to unsustainable water systems in disadvantaged communities located within unincorporated areas or that are served by mutual water companies.
 - Proposition 1 accountability—allows for more public transparency by requiring reporting on outcomes from projects through the public bond accountability website.
 - Building Code Provisions—allows for changes to the plumbing code related to water recycling with a one-cycle sunset.
- Adopts budget bill language that directs HCD to include an assessment of alternatives to relocation that may be available families and on which the relocation assistance funds could otherwise be spent. This would assist households apprehensive about relocation because of ties to the community.
- Adopts Supplemental Reporting Language requiring various departments to provide a report that: compiles information regarding the projected outcomes and benefits associated with drought-related expenditures included in the 2015-16 Budget Act and provides the amount of encumbrances and expenditures for each drought-related appropriation included in Chapter 2, Statutes of 2014 (SB 103, Senate Budget and Fiscal Review Committee); Chapter 3, Statutes of 2014 (SB 104, Senate Budget and Fiscal Review Committee); the 2014-15 Budget Act; Chapter 1, Statutes of 2015 (AB 91, Assembly Committee on Budget); and the 2015-15 Budget Act.

Cap and Trade

- Defers Cap and Trade programmatic appropriations to a future Cap and Trade discussion later in the Legislative Session. As a result, the budget bill contains no programmatic cap and trade appropriations at this time. However, the existing statutory continuous appropriations remain, so sixty percent of revenue 2015-16 will be allocated to High Speed Rail, Affordable Housing and Sustainable Communities, Low Carbon Transit Operations, and the Transit and Intercity Rail Capital Program, pursuant to current law.
- Approves \$30 million of Greenhouse Gas Reduction Funds dedicated for monitoring, standards, and administrative functions associated with various existing Cap and Trade programs.

Expansion of the Timber Regulation and Forest Restoration Program

The Governor's budget requested nine permanent positions, 12, two-year limited-term positions, and \$9.5 million in funding from the Timber Regulation and Forest Restoration Fund (TTRF) to implement accountability and forest restoration components of the Timber Regulation and Forest Restoration Program, as called for in AB 1492 (Blumenfield, Chapter 289, Statutes of 2012). The requested funding and positions are spread across five departments:

- Approves \$750,000 for the Natural Resources Agency to support pilot projects and initial data collection needed for data and monitoring, ecological performance measures, and administrative efficiency and transparency;
- Approves \$715,000 baseline augmentation and four positions for the Department of Conservation's, California Geological Survey (CGS) to create new capacity for data and monitoring, ecological performance measures, and administrative efficiency and transparency;
- Approves \$285,000 and two positions to the Department of Fish and Wildlife for data and monitoring, ecological performance measures, and administrative efficiency and transparency;
- Approves \$5,240,000 and three positions and eight, two-year limited-term positions for Department of Forestry and Fire Protection (CAL FIRE) and Board of Forestry and Fire Protection for forest restoration grants to fulfill aspects of AB 1492 regarding the California Forest Improvement Program (CFIP), forest restoration/resource improvement grants, and to promote strategies consistent with AB 32, the California Global Warming Solutions Act of 2006; and

- Approves four, two-year limited-term positions (\$551,000) and forest restoration grant authority (\$2,000,000) for the State and Regional Water Boards to implement the requirements of AB 1492, as they pertain to the authorities and responsibilities of the Water Boards. The requested resources will enable the Water Boards to fulfill AB 1492 functions for timber harvest review, data and monitoring, ecological performance measures, administrative efficiency and transparency, and forest restoration grants.

Underground Injection Control Program

The federal Safe Drinking Water Act (Act) only allows for injection of fluids from oil and gas operations into exempt aquifers that meet specific requirements and conditions. Within the state, there are approximately 2,500 oil and gas injection wells that have been operating in aquifers that may not have been properly exempted from the Act. The state is reviewing and evaluating these wells to determine in which cases it would be justified to propose an aquifer exemption application to the United States Environmental Protection Agency (US EPA), or whether the wells should be plugged. Under the oversight of the US EPA, the Department of Conservation (Conservation) and the State Water Resources Control Board (Water Board) have developed a work plan to bring the remaining injection wells into compliance with the Act within two years. The Governor requested resources to accomplish compliance, as required by US EPA, within this expedited time frame. Specifically, this proposal requests additional resources for the following purposes:

- Approves 23 permanent positions and a baseline appropriation of \$3,488,000 (\$3,285,000 ongoing) from the Oil, Gas, and Geothermal Administrative Fund to enhance the Department's Underground Injection Control (UIC) Program. The resources are necessary to conduct extensive evaluations of the engineering and geologic conditions of aquifers into which injection has been occurring to inform the determination as to whether specific aquifers should be proposed for exemption from the Act.
- Approves \$2.9 million and 19 positions for the State Water Resources Control Board to perform inventory and enforcement activities for oil and gas produced water ponds in the Central Valley area. This request also includes technical reviews of aquifer exemption submittals, hydrological reviews of injection well proposals submitted by well operators, and related activities. The Water Board also will receive information on injection wells that Conservation has identified as out of compliance with the Act, and will identify known water supply wells to assess potential health threats or impacts to water supplies.
- Approves \$625,000 (General Fund) for the Department of Water Resources to provide better accessibility to well completion reports, including redacting personal information from approximately 720,000 digital images of WCRs so they may be released to the public. Also approved trailer bill language to make well completion reports available to the public.

- Codifies the relationship between the Water Board and DOGGR to ensure concurrence on aquifer exemptions. Adds milestones to ensure deficiencies are identified and institutes a compliance schedule for corrections. Allows for a temporary independent review of the Division to ensure improvement in accountability.
- Approves 6 positions and \$1.1 million (Oil, Gas and Geothermal Administrative Fund) for the Water Board to assist with DOGGR's Underground Injection Control (UIC) program's efforts, including identifying wells that are injecting into non-exempt aquifers.

Proposition 1 Implementation

Proposition 1, the voter-approved Water Quality, Supply, and Infrastructure Improvement Act of 2014, provides a total of \$7.5 billion in general obligation bonds for various water-related programs. Some of the larger allocations include \$2.7 billion for water storage projects and \$1.5 billion for watershed protection and restoration projects. Additional funding is provided for groundwater sustainability, regional water management, water recycling and desalination, water treatment, and flood protection. Projects funded under Proposition 1 would generally be selected on a competitive basis, based on guidelines developed by state departments. Proposition 1 also includes accountability and oversight provisions, such as limits on the amount of funding that can go to administrative costs or planning and monitoring.

- Approves \$2.38 billion to begin the first year of a multiyear expenditure plan for Proposition 1. This includes \$178 million for various watershed protection and restoration activities, \$844 million for groundwater sustainability, \$657 million for water recycling and desalination projects, and \$475 million for projects to improve drinking water in disadvantaged communities.
- Adopts trailer bill language requiring departments to (1) evaluate the outcomes of projects and programs, (2) report on outcomes of projects and programs on the bond accountability website, and (3) hold state departments and grantees accountable for completing projects on-time and within scope. Also directed the Natural Resources Agency to post additional information online, including information on changes to project timelines and project spending in order to facilitate oversight of these projects and funds.

Department of Forestry and Fire Protection

- Approves \$59,408,272 General Fund (GF) and \$2,389,884 State Responsibility Area (SRA) Fire Prevention Fund, and 373 temporary help positions through December 31, 2015, to address heightened fire conditions brought on by drought conditions.
- Approves \$9,192,222 (\$7,276,737 General Fund, \$332,720 Special Fund, and \$1,582,765 Reimbursements), and position authority for 28 limited-term positions and 21 limited-term

temporary help positions through June 30, 2017, to address the hiring and training needs resulting from the increased length of fire season.

- Approves \$6 million (General Fund) to provide for the replacement of the air tanker that was lost in 2014. The request also includes funding for a contracted large air tanker to temporarily fill the service gap created by the lost tanker until the replacement is ready.
- Approves \$1.2 million (SRA), ongoing, to provide for a public information campaign on fire prevention and preparation for wildland fires for residents and visitors to the SRA. The program is intended to decrease fire risk for the state and coordinates with existing drought activities.
- Approves \$130,423 (Timber Regulation and Forest Restoration Fund) for archaeological assistance from multiple institutions of higher learning to implement the requirements of AB 52 (Chapter 532, Statutes of 2014) related to California Environmental Quality Act (CEQA) lead agency consultative requirements with Native American tribes.
- Approves \$888,000 (State Fire Marshal Licensing and Certification Fund) and five positions to create regulations and establish a certification program for fire sprinkler fitters.
- Rejects unnecessary budget bill language related to the procurement of 12 new helicopters to replace the existing fleet.
- Rejects a requests for an ongoing \$249,653 increase to the spending authority for the Cigarette Fire Safety and Firefighter Protection Fund, and two positions to address the Office of the State Fire Marshal (OSFM) Fire Safe Cigarette Certification Program workload.
- Approves funding for a variety of CalFire capital projects:
 - \$4.8 million for working drawings and construction for the dormitory project at the CalFire Academy in Lone.
 - \$4.8 million for the replacement of the Los Posadas Forest Fire Station, this project had previously received funding authority but was unable to move forward because of a deed issue that the department anticipates resolving in the budget year.
 - \$2.2 million for working drawings and construction to replace the Vina Helitack Base in Vina, which is in Tehama County.
 - \$1.5 million for construction phase of the auto shop replacement at Angels Camp in Calaveras County.
 - \$963,000 for the construction phase of the automotive shop at the Santa Cruz/Santa Clara Headquarters in Ben Lomond, located in Santa Cruz County.
 - \$461,000 to address drainage issues at the Cuyamaca Fire Station in San Diego County.

- Approves \$5 million (Toxic Substances Control Account) to dispose of stockpiles of dangerous and illegal fireworks seized in 2014 and anticipated to be seized in 2015. Provisional language is requested to both allow for the use of TSCA by CalFIRE for this purpose and to ship illegal fireworks out of state for disposal. Adopts trailer bill language that provides necessary authority to allow the State Fire Marshall to manage illegal and dangerous fireworks seized, by contracting with a federally permitted hauler for disposal, or for seized fireworks deemed to not be hazardous waste, to store in a warehouse used for fireworks storage, rather than dispose of them, until January 1, 2016.
- Approves \$5 million (one-time, SRA Fire Prevention Fund) for local assistance pursuant to Public Resources Code 4214 (d), which specifies that the allowable fire prevention activities from the SRA Fund includes grants to fire safe councils, local conservation corps, grants to nonprofit organizations that can complete a fire prevention project applicable to the SRA, public education to reduce the fire risk in the SRA, and other fire prevention activities.
- Approves \$280,000 to demolish and replace two concrete loading pads and upgrade security lighting and fencing to FAA/Homeland Security requirements.
- Approves \$775,000 to upgrade or repair water systems at various CALFIRE facilities.
- Approves \$768,000 to make various improvements related to the support apparatus for the storage of helicopter fuel tender.
- Approves \$36,912,000 to replace the existing Unit Headquarters located in San Luis Obispo.

Department of Water Resources

- Approves \$440 million for the Department of Water Resources (DWR) to support flood protection activities, which will appropriate all remaining Disaster Preparedness and Flood Prevention Bond Act (Proposition 1E), enacted by the voters in 2006. Expenditures of these remaining bond funds will be allocated to program categories that are consistent with the resource allocation recommendations of the Central Valley Flood Protection Plan for prioritizing flood management projects.
- Approves \$20,118,000 (Proposition 1E) to continue support of Statewide Bond Management Costs, the Central Valley Flood Protection Board, and the Integrated Regional Water Management Stormwater Flood Management Grant Program. Proposition 1E funds have been appropriated to the three programs in prior budgetary processes.

- Approves \$6,000,000 (General Fund) in fiscal year (FY) 2015/16 and \$8,000,000 for four years from FY 2016/17 through FY 2019/20 to complete objectives and actions to 1) implement the Sustainable Groundwater Management Legislation and 2) develop and implement strategic actions to achieve sustainable groundwater management. This proposal will support 5 new and 26 existing positions. It will also cover external consulting services and local technical assistance to implement the legislation. This proposal augments and complements other parts of the California Water Action Plan and work described in two approved FY 2014/15 proposals: California Groundwater Elevation Monitoring (CASGEM) and California Statewide sustainable groundwater management (SGM) Program.
- Approves \$22 million (\$11 million General Fund and \$11 million State Water Project funds) to remove a temporary rock barrier installed across West False River in the Delta. The barrier was installed to slow the tidal push of saltwater from the San Francisco Bay into the central Delta and to prevent contamination of water quality for municipal, industrial, agricultural and environmental needs. The barrier is intended to prevent salt water contamination of water supplies of the State Water Project and Central Valley Project, primarily, and other water intake projects.
- Approves \$800,000 (General Fund) to support five positions located within the Central Valley Flood Protection Board to adequately fulfill the assurances the State has made to the federal government through a number of Assurance Agreements and in compliance with California Water Code.
- Approves the reversion and new appropriation of \$2.2 million or the remaining balance of Proposition 204 local assistance bond funds (from fiscal year 2010-11) for advance projects that assist in meeting CA Water Action Plan Action 4 – Protect and Restore Important Ecosystems.
- Approves \$150,000 in Fiscal Year 2015/16 and \$300,000 annually thereafter from the General Fund in order to augment the Central California Water Management program to meet California's mandated responsibilities under the Truckee River Operating Agreement.
- Approves \$4.8 million in additional reimbursements from the Wildlife Conservation Board and \$2.1 million in federal funds from the Bureau of Reclamation for habitat restoration, recreation, and public access improvements along the San Joaquin River.
- Approves "special consideration" provisional language that specifies that of the funds appropriated for FloodSAFE, the Department shall give special consideration to flood management projects that provide multiple benefits commonly associated with improved flood management, including ecosystem improvements and climate adaptation.

Wildlife Conservation Board

- Approves \$25 million (\$20 million Proposition 50 and \$5 million Proposition 84) for flood-related opportunity acquisition on LA River.
- Approves \$6 million (Habitat Conservation Fund) to restore the Chollas Creek.
- Approves \$1 million from the Wildlife Restoration Fund for the WCB's Public Access Program.

State Water Resources Control Board

- Approves \$381,000 and three limited term positions from the Waste Discharge Permit Fund to implement the mandates of SB 985 (Pavley), Chapter 555, Statutes of 2014. The intent of the SB 985 is to promote storm water use projects and dry weather non-storm water runoff use projects through storm water resource plans.
- Approves a one-time General Fund increase of \$300,000 to implement the requirements of AB 2071 (Levine), Chapter 92, Statutes of 2014. These funds enable the State Water Board to hire contractors to coordinate, oversee, and administer an expert panel to determine if the use of tertiary recycled water for consumption by animals poses a significant health risk to the public or animals.
- Approves \$1.5 million General Fund and 11 two year limited term positions to continue implementation of a task force and priority-driven approach to address the natural resources damages from marijuana cultivation, primarily on private lands in northern California, but also in targeted partnerships with DFW on high conservation value state public lands.
- Approves a one-time augmentation of \$4 million for State Fiscal Year (FY) 2015-16 (total of \$12 million for FY 2015-16), for the State Water Pollution Control Revolving Fund Small Community Grant Fund to assist small disadvantaged communities (SDACs) with their wastewater needs.
- Approves trailer bill language to amend the Health and Safety Code to allow the State Water Board to adopt fee regulations by emergency actions to ensure an adopted annual fee schedule will generate sufficient revenue to support Safe Drinking Water Program annual budgetary expenditures and ensure the immediate preservation of the public peace, health, safety and general welfare.

- Approves a proposal to implement the changes placed into law by SB 445 (Hill) (Chapter 547, Statutes of 2014), which affects the Underground Storage Tank Cleanup Fund (USTCF) and the California Water Boards Groundwater Cleanup Programs:
 - Approves an increase of authority in the USTCF of \$39.5 million that will be used to reimburse tank owners and operators for their costs in cleaning up leaking Underground Storage Tanks.
 - Approves an appropriation to the Site Cleanup Subaccount (SCS) of \$24.7 million of which \$4.9 million is one-time and \$19.8 million is ongoing for the investigation and remediation of contaminated sites where there is no viable party.
 - Approves an increase of authority in the Petroleum Underground Storage Tank Financing Account (PUSTFA) of \$24.7 million of which \$4.9 million is one-time and \$19.8 million is ongoing for loans and grants for Replacing, Removing, or Upgrading Underground Storage Tanks (RUST).
 - Approves a one-time appropriation of \$100 million from the Expedited Claim Account (ECA) with availability for expenditure until June 30, 2018. The proposal would fund 21 new positions plus a funding shift equivalent to 17 positions.
- Approves 16 positions and \$7.8 (General Fund) to complete the comprehensive update of the Bay-Delta Water Quality Control Plan.
- Approves \$1.2 million in various one-time funds for two facilities operations projects. Beginning on July 1, 2015, the Water Board's Sacramento based workforce will increase by approximately 85 positions, resulting in the need to acquire additional office space.
- Approves \$347,000 (Safe Drinking Water Account) and two, limited-term positions, to address the existing drinking water regulation backlog and to ensure timely development of key drinking water regulations in the future.

Department of Fish and Wildlife

- Approves \$644,000 (General Fund) to resume Payment Inlieu of Taxes (PILT) payments in 2015–16. Under the Governor's proposal, the funding would be allocated to 36 counties containing wildlife management areas. Adopts trailer bill language that makes PILT payments discretionary and precludes counties from spending these payments on school districts since Proposition 98 already backfills this portion of lost tax revenue.
- Approves two positions and \$274,000 (General Fund) to be phased in over two years. The Sustainable Groundwater Management Act requires that fish and wildlife impacts be addressed in high and medium-priority basins where groundwater pumping is causing significant impacts on interconnected surface waters. The proposed resources will enable

the DFW to coordinate with local agencies, DWR and the State Water Resources Control Board (State Water Board) on groundwater policies and management plans.

- Approves eight positions and \$0.8 million to support the following federally funded programs: to establish a Human Dimensions in Wildlife Program; to conduct the California Recreational Fisheries Survey; and to support the data collection, analysis, and science-based decision support tools being developed by the South Coast Region's Resource Assessment Program.
- Approves \$1,137,000 (Hatcheries and Inland Fisheries Fund) for three minor capital outlay projects. This request would support the purchase and installation of a pre-manufactured home at the Silverado Fisheries Base, the Mojave River Hatchery, and the Black Rock Hatchery.
- Approves \$1 million (Fish and Game Preservation Fund) for restoring Clear Lake wetlands and preventing the spread of invasive species.
- Approves \$460,000 (Hatcheries and Inland Fisheries Fund) for two minor capital outlay projects:
 - \$220,000 for the design, construction and installation of a new 12 foot high bird enclosure for the trout nursery ponds at the Mount Shasta Hatchery in Siskiyou County; and
 - \$240,000 for design and construction to add walls, with windows and doors, to the existing roofed structure that surrounds the Heritage Trout fish ponds at the San Joaquin Hatchery in Friant, Fresno, County.
- Approves \$740,000 (Hatcheries and Inland Fisheries Fund) to make necessary deferred maintenance repairs to the concrete raceways so that they can be used for native trout production at the Kern River Hatchery (KRH) for distribution to the Kern River drainage.
- Approves \$1.27 million for Hatcheries and Inland Fisheries, annually for three years, for the purpose of meeting fish production and Heritage and Wild Trout (HWT) Program monitoring and management requirements.
- Approves \$4.8 million in reimbursement authority and \$300,000 in federal authority to support 32 limited-term positions for three years to address Regulatory Review and Permitting, Scientific Laboratory Program Services, and the Bay Delta Conservation Plan - Interagency Ecological Program.

California Coastal Commission

- Approves a one-time appropriation of \$315,000 (Protect our Coast and Oceans Fund) from voluntary contributions on the state tax return to augment the Whale Tail grant program and to support outreach and promotion of the voluntary contribution program.
- Approves an increase to the local assistance baseline budget of \$44,000 (Coastal Beach and Coastal Enhancement Account) for coastal and marine education grants to nonprofits, schools, and government agencies.

Natural Resources Agency

- Approves a series of actions to address the Environmental License Plate Fund shortfall, including: delaying the beginning of the 4th Climate Assessment from the current year to budget year; delaying the Climate Ready grants from current year to budget year; and shifting expenditures in the Department of Parks and Recreation and Department of Fish and Wildlife to special funds. Adds trailer bill language to require the Administration to convene a working group to develop a new ELPF funding plan.
- Approves \$1.3 million in one-time funding and \$176,000 in ongoing funding (Timber Regulation and Forest Restoration Fund) for the development and implementation of interagency information systems to support program efficiencies and accountability; \$750,000 in one-time funding and \$300,000 in BY+1 for pilot projects and priority data collection related to data and monitoring, ecological performance measures, administrative efficiency and transparency, and forest restoration. Requires Joint Legislative Budget Committee (JLBC) review of \$1.3 million upon final approval or feasibility study report (FSR) exemption by CalTech.
- Appropriates all remaining Proposition 13 funding for the River Parkway Program. These funds will be in the acquisition and development of river parkways and the protection of urban streams.
- Approves \$155,000 (General Fund) and one position to provide funding for gathering and publicly distributing information about state and local activities related to sea level rise planning to implement AB 2516 (Gordon), Chapter 522, Statutes of 2014.
- Approves \$2.5 million (General Fund) ongoing to support monitoring to inform the ongoing adaptive management of the network of Marine Protected Areas designated under the Marine Life Protection Act.

Special Resources Program

- Approves \$325,000 from the Lake Tahoe Conservancy Account, to be matched by the State of Nevada (included in NV Governor Sandoval's budget), to fund Threshold monitoring, analysis, and preparation of the mandatory 4-Year 2016 Threshold Evaluation Report.

Tahoe Regional Planning Agency

- Approves \$375,000 (Harbor and Watercraft Funds) to continue a boat inspection program. The State of Nevada is also contributing \$375,000 in funding for this effort.

California Conservation Corps

- Approves \$200,000 (one-time, General Fund) with supplemental reporting language requiring the CCC to include in its January 10, 2016 proposal, an evaluation of the appropriate number of permanent residential facilities and including analysis of other methods of program delivery (such as non-permanent camps and co-located residential facilities with community colleges). This reporting language is intended to inform the 2016-17 budget proposal.
- Approves \$2.5 million in lease-revenue bonds to fund a consolidated storage facility to serve the Tahoe Base Center, a CCC residential and operational facility for corpsmembers.
- Approves \$392,000 (Collins Dugan Reimbursement Account) to address a faster implementation of the C3 project which will track human resource data for members of the Conservation Corp.
- Approves a \$2 million increase (Collins Dugan Reimbursement Account) to reflect an anticipated increase in requests for emergency fire related overtime.
- Approves \$2.7 million (Public Buildings Construction Fund) for preliminary plans and working drawings for a new kitchen, multi-purpose room, and dormitory to replace the current facilities at the Auburn Campus.

Department of Parks and Recreation

- Approves a two year appropriation totaling \$1.847 million (Abandoned Mine Reclamation Fund) for the continued evaluation, analysis, and implementation of removal actions required at Empire Mine State Historic Park.
- Adopts trailer bill language that stipulates that of the \$26 million (Proposition 40) appropriated for youth soccer, \$10 million shall be set aside for outdoor environmental education and activities.
- Approves \$1.4 million (State Parks and Recreation Fund) to transfer funding of Capitol Tour Guides from the Assembly Operating Fund to SPRF.
- Approves \$678,000 (federal settlement monies deposited in SPRF) for plans to improve Border Field State Park (located in the Tijuana River Valley).
- Approves the reappropriation of the following Prop 40 and Prop 12 projects:
 - City of Pasadena Youth Soccer and Recreation Developments Program, Sycamore Grove Field/Muir Field, Prop 40, Current Balance: \$1,000,000.
 - City of Los Angeles, Urban Parks, East Wilmington Greenbelt Park, Prop 40, Current Balance: \$2,933,000.
 - City of San Jose Robert-Z'Berg-Harris Block Grant Program, Three Creeks Trail Bridge, Prop 40, Current Balance: \$1,773,000.
 - City of San Jose Per Capita Grant Program, Three Creeks Trail Bridge, Prop 40, Current Balance: \$30,000.
 - City of Los Angeles People Coordinated Services of Southern California, Youth and Family Center, Prop 12, Current Balance: \$1,850,000.
- Approves funds in the amount of \$56,240,473 from special and federal funds for the Local Assistance Program to provide grants to various agencies. Funds are to be available for encumbrance or expenditure through June 30, 2018.
- Approves requests approval to solicit proposals for new concessions or extend existing contracts for the following:
 - Concessions: Angeles District (Multi-Unit Fee Collections); Lake Perris Marina (Concessions); Hearst San Simeon State Historical Monument (Theatre Concession Contract); and Old Town San Diego State Historic Park (Retail Food Service Concessions)
 - Operating: Bothe-Nappa Valley State Park and Bale Grist Mill State Historic Park (Operating Agreement); Robert Louis Stevenson State Park (Operating Agreement with Napa County); and San Bruno Mountain State Park (Operating Agreement with San Mateo County)

- Approves a transfer of one million dollars from the Harbors and Watercraft Revolving Fund as a loan to the Vessel Operator Certification Account to implement the requirements of SB 941 (Monning), Chapter 433, Statutes of 2014, for two years.
- Approves an ongoing budget augmentation of \$220,000 in General Fund support for the anticipated long term operation and maintenance costs of the Magenta Drain and Treatment System at Empire Mine State Historic Park (SHP) critical to the protection of both public health and safety, along with the protection of natural and cultural resources at the park. This request is necessary as outlined in a settlement agreement that has recently been reached with the Newmont Entities.
- Approves \$41,499,000 in one-time funds for the Division of Boating and Waterways (DBW) Local Assistance Program from the Harbors and Watercraft Revolving Fund, the Abandoned Watercraft Abatement Fund and the Public Beach Restoration Fund for grants to various agencies.
- Approves various capital outlay proposals.
- Approves a one-time increase of \$19,724,000 in spending authority in 2015-16 from the State Parks and Recreation Fund to sustain its operations and maintain its base support budget.
- Approves \$1,238,000 in support of the newly constructed Los Angeles State Historic Park.
- Approves \$1,000,000 for the increased cost of the ground transportation contract at Hearst Castle within Hearst San Simeon State Historical Monument.
- Approves \$424,000 to support the new Donner Memorial State Park Interpretive Visitor Center.

California State Coastal Conservancy

- Approves a one-time increase of \$1.6 million that would be available for grants to public agencies and non-profit agencies for public access, coastal resource enhancements, and educational materials and events.

Native American Heritage Commission

- Approves \$1.6 million and eight positions in 2015-16, decreasing to \$602,000 and five positions ongoing to fund the implementation of AB 52 (Gatto), Chapter 532, Statutes of 2014. The Commission requests funding to create a geographic database of cultural and historical Native American tribal territories and all potential lead California Environmental Quality Act agencies within each territory. Requires JLBC review upon final approval or FSR exemption by CalTech.

- Approves trailer bill language to place the responsibility of the Repatriation Oversight Commission (ROC) within the Native American Heritage Commission and repeal language establishing the ROC.

Delta Stewardship Council

- Approves three new positions, and \$9.25 million (\$6.6 million General Fund, \$850,000 reimbursements, and \$1.7 million federal funds) to continue its existing programs and to fulfill the Delta Plan implementation requirements.

San Francisco Bay Conservation and Development Commission

- Approves \$1 million additional baseline General Fund to fully fund the core functions of the BCDC's existing staff, to fill its vacancies, and to enable it to begin a rulemaking process to increase its permit fees to supplement GF funding. In addition, BCDC requests that the State establish a special fund into which the additional annual permit fee collections will be placed that exceed the past eleven-year average of annual permit fee collections.

Tahoe Conservancy

- Approves \$8.8 million in various funding sources (\$481,000 Habitat Conservation Fund; \$100,000 Lake Tahoe Conservancy Account; \$440,000 Tahoe Conservancy Fund; \$3.6 million reverted bond funds; \$600,000 Lake Tahoe Science and Lake Improvement Account; and \$3.5 million Federal Trust Fund reimbursement authority) for local assistance (LA) or capital outlay (CO) for the implementation of the Environmental Improvement Program in the Tahoe Basin.

Santa Monica Mountains Conservancy

- Approves \$2.6 million in various funding sources (\$200,000 Conservancy Fund; and \$2.4 million Prop. 12, 40, 50, & 84) for local assistance grants and capital outlay in the Santa Monica Mountains Zone and Rim of the Valley Trail Corridor Project.

California Coastal Conservancy

- Approves \$12,439,000 from the Safe Drinking Water, Water Quality & Supply, Flood Control, River & Coastal Protection Fund of 2006 (Proposition 84) for purposes of local assistance and capital outlay. The requested appropriations would be used by the Conservancy for the following Coastal Conservancy Programs activities, including but not limited to: protecting, restoring, and enhancing beaches, bays, and coastal waters;

promoting access to coastal resources; and carrying out the goals of the San Francisco Bay Area Conservancy Program (including acquiring and restoring sensitive lands, such as the San Francisco Bay Trail and the Bay Area Ridge Trail).

- Approves \$12,357,000 in local assistance funds and \$8,000,000 in reimbursement authority from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal protection Act of 2002 (Proposition 40) for purposes of the Coastal Conservancy program and the San Francisco Bay Area Conservancy program. The funds appropriated will support the following efforts: restoration of coho salmon habitat in San Mateo County streams; planning and construction of the California Coastal Trail in Santa Barbara, San Luis Obispo, and Santa Cruz Counties; and restoration of tidal wetlands and native oyster beds in San Diego Bay.

State Lands Commission

- Approves \$472,000 (General Fund) ongoing for the conversion of four limited-term auditor positions to permanent. These positions were provided to address workload needs as identified by a 2010 State Auditor report in its review of Commission revenue operations.
- Approves \$535,000 (General Fund) ongoing for the conversion of five limited-term positions to permanent to continue the implementation of the Lease Compliance, Enforcement and Revenue Recovery program which ensures compliance with lease terms and conditions resulting in increased revenues to the General Fund.

Department of Toxic Substances Control

- Approves five positions and \$734,000 for a limited-term of three years from the Hazardous Waste Control Account to implement the 2014 Enforcement Order (Order) against Exide Technologies (Exide or Facility). Among other things, the Order establishes that Exide is liable for all costs incurred by DTSC in reviewing work plans and overseeing the work required by the Order including all California Environmental Quality Act (CEQA) costs. The work required by the Order includes: 1) Cleanup of 215 off-site residential properties in an environmental justice community; 2) Investigation and possible cleanup of additional off-site residential properties impacted by Exide operations; 3) Investigation of industrial properties adjacent to the Exide operations; and 4) Development of a Corrective Measure Study and Remedy Selection document. DTSC's costs will be recovered from Exide Technologies.
- Approves \$600,000 and two limited-term positions for two years from the Toxic Substances Control Account (TSCA) (\$520,000) and the Birth Defects Monitoring Program Fund (BDMPF) (\$80,000) to support the Biomonitoring California Program. Under the Program's enabling legislation, DTSC is collaborating with the Office of

Environmental Health Hazard Assessment (OEHHA) and the California Department of Public Health (CDPH) to implement Biomonitoring California.

- Approves \$1,632,000 from the Hazardous Waste Control Account (HWCA) and 16 limited-term positions for two years to address the increased workloads for the Enforcement Division, Policy and Program Support Division' Financial Responsibility Unit, Office of Planning and Environmental Analysis, Office of Legal Counsel, and Office of Environmental Information Management in support of the Office of Permitting's initiative to reduce DTSC's inventory of backlogged hazardous waste facility permit applications and streamline and enhance protections in the enforcement and permitting processes.
- Approves \$840,000 and six positions from the Toxic Substances Control Account for two years to develop, implement, and evaluate projects that reduce the generation of hazardous wastes that are treated or disposed in California. This Community Protection and Hazardous Waste Reduction Initiative will select up to three pilot-scale projects to reduce hazardous wastes that are generated in significant quantities in California, can pose substantial risks or hazards to human health or the environment, and are treated or disposed in California communities that are disproportionately burdened by multiple sources of pollution.
- Approves \$1.5 million in one-time special fund to replace obsolete lab equipment at the Berkeley and Pasadena Environmental Chemistry Laboratories. This expenditure is funded from revenue received from a legal judgment.
- Approves \$2.1 million (\$222,000 Hazardous Waste Control Account [HWCA] and \$1.9 million TSCA) and 11 positions, to implement and evaluate approaches to address environmental violations in vulnerable communities. The proposal would focus inspection and enforcement resources on the metal recycling industry and the hazardous waste transportation industry.
- Approves \$1.4 million (TSCA) for two years to conduct a review of its hazardous waste management enforcement program. Specifically, the department proposes an assessment of its enforcement program including evaluation of workload, inspections, investigations, policies and statutory mandates.
- Approves six positions and \$643,000 (TSCA), to allow the department to expand research capabilities and accelerate the rate in which consumer products containing toxic chemicals can be evaluated and identified for inclusion in the Safer Consumer Products (SCP) Program.
- Approves a request to realign \$2.4 million and 18 positions from the Federal Trust Fund to the Toxic Substance Control Account to support oversight of state response and Orphan/National Priority List site cleanup.

- Approves \$3.4 million and a reversion of the unencumbered balance of the 2014/15 appropriation from the Expedited Site Remediation Trust Fund to reimburse SR Land Company and the Richard N. Clayton 1981 Trust for the orphan share associated with their cleanup activities at the Golden Technology Site in the City of Santa Rosa in Sonoma County.
- Approves an augmentation from the Hazardous Waste Control Account of \$527,000 and 2.5 positions to implement Senate Bill (SB) 1249 (Hill, Chapter 756, Statutes of 2014). SB 1249 requires DTSC to evaluate the risks and threats posed by metal shredders and the management of metal shredder waste, and to either develop alternative management standards that govern metal shredding activities, or rescind its 1987 era decisions that have allowed metal shredders to be managed as nonhazardous waste.
- Adopts trailer bill language that establishes an independent review panel to make recommendations regarding improvements to the department's permitting, enforcement, public outreach and fiscal management. Also establishes an assistant director for environmental justice to serve as an ombudsperson for disadvantaged communities.

Department of Pesticide Regulation

- Approves \$412,000 Department of Pesticide Regulation Fund (DPR Fund) and three positions to implement Chapter 848 of the Statutes of 2014 (SB 1405, DeSaulnier). SB 1405 requires the development and administration of comprehensive training courses that anyone using pesticides at a school site must take, and a template for a written IPM plan for school districts and child care centers that use certain pesticides (excluding antimicrobials).
- Approves \$1,958,000 (Department of Pesticide Regulation Fund) to develop and implement a fully integrated information management system for the pesticide product and device registration process. Once completed, the system will offer online functionality and allow for online submission of registration-related materials and electronic payment.

Department of Resources Recycling and Recovery

- Approves \$1.1 million from the Beverage Container Recycling Fund and 10 positions for efforts by CalRecycle to reduce the expenditures out of the Beverage Container Recycling Fund and increase program integrity.
- Approves \$933,000 (Beverage Container Recycling Fund) and 10 limited-term Staff Services Auditor positions for a pilot program with dedicated on-site investigation

resources at certified processor facilities. This team would supplement CalRecycle's existing fraud prevention efforts.

- Adopts trailer bill language to establish the Border Region Solid Waste Working Group to develop and coordinate long-term solutions to address and remediate problems associated with waste tires and solid waste along the border in the Tijuana River estuary. Provides for an appropriation of \$300,000 from the Waste Tire Reduction Fund to fund this working group.
- Approves \$296,000 from the Integrated Waste Management Fund and three positions to conduct annual Rigid Plastic Packaging Container compliance certification reviews, pursuant to recently adopted regulations.

California Energy Commission

- Approves one position for one year and \$133,000 from the Energy Resources Program Account (ratepayer funds) to coordinate work with other jurisdictions to achieve the state's climate goals and drive international commitments on climate change at the 21st Conference of the Parties in Paris, France, in November and December 2015.
- Approves the creation of statutory fee authority to reimburse the Energy Commission for costs associated with processing petitions to amend power plant certifications.
- Approves trailer bill language to give the Public Utilities Commission (CPUC) authority to select the CEC as program administrator for the New Solar Homes Partnership (NSHP) Program. Also included a provision to sunset the program on June 1, 2018.
- Approves the reduction of five positions and \$603,000 from the Energy Conservation and Assistance Account (ECCA). The proposed change eliminates positions that support ECCA – Greenhouse Gas Reduction Fund loan and technical assistance program. This work and funding is proposed to be transferred to the Department of General Services (DGS).
- Approves \$241,000 (Energy Resources Programs Account), and two positions, to provide outreach, education, and training to building industry professionals, governmental agencies, utilities, and local building departments and officials for the energy standards, which will occur on three-year cycles.
- Approves one, two-year limited-term position and \$1,800,000 in one-time Petroleum Violation Escrow Account (PVEA) funding, for a total request of \$1,985,000 to support an evaluation of the vulnerability of the fuel infrastructure for the transportation sector (e.g., refineries, pipelines, marine terminals, underground storage tanks, and fueling stations) to

climate change impacts. Past studies for the electricity sector have shown that this sector is very vulnerable to extreme weather-related events (e.g., wildfires and sea level rise) that would increase in frequency and intensity with climate change.

- Approves the reduction of 25 positions and \$2,324,000 from the Public Interest Research, Development, and Demonstration Fund (PIER), and the Renewable Resource Trust Fund (RRTF), through the Public Goods Charge (PGC) for the Renewable Energy Program and the Public Interest Energy Research Program (PIER). This proposal is in response to the sunset of the authority to collect the Public Goods Charge on January 1, 2012.
- Approves a fund transfer authority (TBL) to move unspent and under-utilized ARRA funds to the DGS Energy Efficient State Property Revolving Loan Fund.
- Approves baseline authority for \$1,485,000 and 6 permanent and 5 limited term positions (Energy Conservation and Assistance Account [ECAA]) to support the ECAA Program. This proposed budget change would provide positions to support the additional work which comes to the ECAA Program as a result of an additional \$56 million from the California Clean Energy Jobs Fund for K-12 and community college districts, and \$20 million from the GHGRF specifically for state owned buildings, University of California, and California State University campuses. The \$76 million in funds will be for zero percent and low percentage interest rate loans for building retrofits and provide grants for services via technical assistance contractor grants.
- Approves baseline authority for 15 permanent positions and \$2,061,000 from the Alternative and Renewable Fuel and Vehicle Technology Fund (ARFVT), to support the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP) and the Zero Emission Vehicle (ZEV) Action Plan.

Department of Conservation

- Approves \$6 million (Oil, Gas, and Geothermal Administration Fund)], six, two-year limited term positions and 15 one-year limited-term positions, for the first year of a two-year project to develop and implement a comprehensive database system. Authorizes an additional \$4 million for the system after JLBC reporting.
- To address the Surface Mining and Reclamation Account (SMARA) structural deficit, approved a baseline appropriation increase of \$1.5 million to SMARA and accompanying baseline reductions of \$500,000 from the Bosco-Keene Renewable Resources Investment Fund (RRIF) and a \$1,000,000 from the Mine Reclamation Account (MRA). The RRIF and MRA funds are structurally imbalanced with baseline appropriations greater than their revenues. This proposal will bring the RRIF and MRA appropriations in line with their levels of revenue and increase SMARA revenue to address the structural deficit.

- Approves \$200,000 in 2015-16, and \$358,000 in 2016-17 from Proposition 50 bond funds for a comprehensive evaluation to address the effects, benefits, and outcomes resulting from the Proposition 50 watershed program implementation.
- Approves \$300,000 (Abandoned Mine Reclamation and Minerals Fund) to be used for activities involved with remediation and closure of hazardous abandoned mines on California Public lands. Of the amount appropriated in this item, \$300,000 shall be approved as a baseline increase and \$100,000 shall be approved, annually, through 2017-18, for the purchase of software and immediate management of data that can be made available to public and private agencies, for the purpose of mapping mine data.

University of California

- Approves \$1 million (General Fund) to the Wildlife Health Center, University of California at Davis, to administer grants to local marine mammal stranding networks to help with the sea lion rescue effort. Funds shall be used to offset costs incurred since January 2015 and for those on-going this year for rescuing and rehabbing sea lion pups relative to this situation. Cost may include personnel, travel (fuel, tolls, vehicle maintenance etc.), veterinary supplies, animal food (herring, formula, etc.), operating supplies, and research.

California Public Utilities Commission

- Adopts a series of actions related its dissatisfaction with the CPUC's submittal of the mandated zero-based budget, including:
 - Requires the Department of General Services, using CPUC funds, to contract with an independent, outside consulting firm to assess the degree to which each activity and position within the energy area of the CPUC supports the core mission of the CPUC and make recommendations as to how resources might be better allocated to achieve core mission objectives. This review shall be submitted to the Legislature by April 1, 2016.
 - Reduces CPUC's State Operations budget by \$5 million.
 - Adopts trailer bill language requiring the CPUC to notify the JLBC semi-annually of any redirection of funding and/or positions.
 - Directs the California Research Bureau, in consultation with appropriate state entities, using CPUC funds, to make recommendations related to improving oversight, regulation and efficiency of CPUC's duties with regard to energy, communications, transportation and utility safety enforcement and water.
 - Adopts budget bill language that prohibits the CPUC from redirecting any audit positions.

- Requires the CPUC to report back to the Subcommittee during the 2016 Spring Budget process on the outcomes of the various audits.
- Adopts trailer bill language to provide that the Office of Ratepayer Advocate's legal resources within its existing budget be used for attorneys that administratively report to ORA.
- Approves the following requests for audit positions:
 - \$81,482 (various Special Funds) and one position to audit submitted User Fee Statements against utilities' financial records to ensure utilities are remitting correct fees in relation to their revenue.
 - \$178,000 for one position to provide a detailed work plan based on a charter, initial risk assessment, and other foundational documents to support and justify the role and overall resource needs for a newly-created internal audit function within the Executive Division of the CPUC.
 - Two three-year limited term positions in the Energy Division and \$224,944 from the Public Utilities Commission Utilities Reimbursement Account (PURA) to conduct in-depth reviews of entries in utility balancing accounts in light of a March 2014 State Auditor findings.
 - Seven additional audit positions (three-year limited term) within the small water and energy audit sections and \$754,768 from PURA to enhance the CPUC's regulatory audit capacity in light of criticism from recent audits and analysis of internal risks.
 - \$612,000 for five positions (Public Utilities Commission Reimbursement Account) to staff an Internal Audit Unit in the CPUC. The audit unit will conduct independent audits of internal CPUC programs, processes, and administrative responsibilities.
 - Adopted budget bill language that prohibits the CPUC from redirecting any of these positions and any existing base positions in these audit areas.
 - Required the CPUC to report back to the Subcommittee during the 2016 Spring Budget process on the outcomes of the various audits.
- Approves \$550,000 from the Public Utilities Commission Reimbursement Account (PURA) and three limited term positions and one permanent position to implement SB 1371, Chapter 525, Statutes of 2014, which relates to procedures governing the leak management of gas pipeline facilities.
- Approves \$551,000 from PURA for three limited term positions and one permanent position to implement SB 699, Chapter 550 (Statutes of 2014), which relates to developing rules and procedures to assess security measures at electric companies.
- Approves \$227,000 from the Public Utilities Transportation Reimbursement Account for three, two-year limited term positions to implement SB 611, Chapter 860 (Statutes of 2014), which relates to surveying 12,000 carriers and annually developing a list of modified limousines and transmitting to the California Highway Patrol (CHP).

- Approves \$2.1 million (California High-Cost Fund A Administrative Committee Fund; California High-Cost Fund B Administrative Committee Fund; Universal Lifeline Telephone Service Trust Administrative Committee Fund; Deaf and Disabled Telecommunications Program Administrative Committee Fund; California Teleconnect Fund Administrative Committee Fund; California Advanced Services Fund; Public Utilities Commission Utilities Reimbursement Account), and eight positions, to implement AB 1717 (Perea), Chapter 885, Statutes of 2014. AB 1717 establishes a new statewide retail point-of-sale mechanism for collecting taxes and fees from prepaid wireless consumers, in conjunction with the Board of Equalization.
- Approves \$486,000 (PURA) and four limited-term positions to implement SB 1414 (Wolk), Chapter 627, Statutes of 2014. SB 1414 requires the commission to develop and implement consumer protection rules for residential customers who participate in demand response programs.
- Approves \$600,000 (reimbursements) to implement AB 2362 (Dahle), Chapter 610, Statutes of 2014. AB 2363 requires the commission to collect reimbursements for consulting services to develop an integration cost methodology for determining expenses resulting from integrating and operating eligible renewable energy resources in utility electric supply portfolios.
- Approves \$700,000 (PURA), and three limited-term positions to implement AB 2672 (Perea), Chapter 616, Statutes of 2014. AB 2672 requires the commission to initiate a proceeding, identify disadvantaged communities in the San Joaquin Valley, identify potential funding sources to extend natural gas pipelines to these communities, increase electrical rate subsidies, and consider alternatives to increase access to affordable energy in the San Joaquin Valley.
- Adopts trailer bill language that makes the following reforms to the net energy metering program to reflect the size and complexity of military facilities:
 - Increases the amount of renewable energy that may be generated on a military base under NEM to the lesser of the following: 12 megawatts or one megawatt greater than the base's historical minimum load; and
 - Empowers the executive director of the CPUC to ensure adequate, expedited review of requests to interconnect renewable generation on military facilities to the electrical grid.
- Approves a two-year extension of the liquidation period of \$2.5 million (Public Utilities Reimbursement Account) for continued assistance by outside legal counsel and economic consultants as well as expert witnesses in litigation by the CPUC before the Federal Energy Regulatory Commission (FERC), which seeks refunds of several billion dollars for overcharges during the 2000-2001 energy crisis for California consumers.

- Approves an increase to the CPUC Federal Trust Fund appropriation in the amount of \$2,841,000 to allow the agency to utilize Rail Fixed Guideway Public Transportation Systems State Safety Oversight formula grant funding.
- Approves \$405,000 (Public Utilities Commission Reimbursement Account) and three positions in the Risk Assessment Unit in the Safety and Enforcement Division to ensure that investor-owned energy utilities have adequate risk management protocols and are investing in safety.
- Approves \$383,782 for three Utility Engineer positions for ORA to analyze investor-owned utilities risk assessments and expenditures related to new, expanded and ongoing safety-related programs and proposals.
- Approves \$184,235 for two analyst positions for ORA to perform electric rate design and distributed energy resource analysis and California Solar Initiative work associated with AB 327 (Chapter 611, Statutes of 2013) and AB 217 (Chapter 609, Statutes of 2013).

Air Resources Board

- Approves \$3 million (Motor Vehicle Account, Air Pollution Control Fund and Vehicle Inspection Repair Fund) to begin the process to consolidate and relocate the ARB's existing motor vehicle and engine emission testing and research facility. An additional \$2.9 million shall be available after the following metrics have been met:
 - As part of the preliminary site evaluation process, designated representatives from Riverside and Pomona will make on-site presentations to ARB's site evaluation team; and
 - A report notifying the JLBC of the action taken by the ARB with a detailed statement of the approved action to ensure accountability to the site evaluation process.
- Approves \$700,000 annually (Cost of Implementation Account) for four positions to strengthen the monitoring and oversight of the information reported under the Low Carbon Fuel Standard (LCFS) Program.
- To improve the existing ambient monitoring network for tracking GHG emissions and trends in California, approved a one-time allocation for \$810,000 (Cost of Implementation Account, Air Pollution Control Fund) for equipment purchase, an additional \$172,000 annually for leasing space and equipment maintenance, and \$175,000 annually for one position for operation of the network.

- Approves \$335,000 (Public Utilities Reimbursement Account) to implement SB 1371 (Leno), Chapter 525, Statutes of 2014, which requires the CPUC, in consultation with ARB, to adopt rules and procedures governing the operation and maintenance of natural gas pipeline facilities in order to achieve two primary goals: (1) minimize safety concerns associated with leaks, and (2) advance the state's goals of reducing GHGs.

Department of Food and Agriculture

- Approves \$3,091,000 in General Fund authority for 2015-16 and \$3,086,000 on-going, and two positions for the Division of Fairs and Expositions (F&E) to sustain California's network of 78 fairs by providing operational and training support. Funding will provide operational support for 64 small to medium fairs class sizes I to IV+ and support an audit component to ensure fairs are adhering to state rules and regulations. Proposes supplemental reporting language requiring the Department to provide a report with the 2016-17 budget that identifies the fairs at greatest risk of closure due to financial conditions.
- Approves \$1.046 million in fiscal year 2015-16 and \$1.042 million ongoing in Department of Food and Agriculture Fund authority and four permanent positions to enhance the existing Certified Farmers' Market (CFM) Program. AB 1871 (Dickinson), Chapter 92, Statutes of 2014, increased the existing vendor fee to generate the revenue necessary to carry out these responsibilities.
- Approves \$4,250,000 in General Fund authority for 2015-16 and \$4,374,000 ongoing for the California Animal Health and Food Safety (CAHFS) laboratory system's baseline deficiency, and additional resources required to operate the new South Valley Animal Health Laboratory (SVAHL) in Tulare, to prevent, detect, and respond to animal health disease outbreaks. Adopts provisional language requiring the Department to annually adjust for University of California compensation increases, as it would for baseline operations.

TRANSPORTATION**Caltrans**

- Approves 25 positions to create a \$500 million project shelf for the State Highway Operations and Preservation Program.
- Appropriates \$12 million State Highway Account for fleet greening at Caltrans
- Identifies \$842 million in pre-Proposition 42 borrowing from 2000-01 as general borrowing.
- Adopts reporting language to require Caltrans to study possible improvements to the the State's intercity rail system through additional investment in grade separation at key intersections.
- Approves language to allow Sacramento County to use existing local streets and roads funds to complete the Walerga Park Soundwall.
- Appropriates \$5 million State Highway Account for the construction of fish passages in areas where state highways currently block fish.
- Adopts provisional language to allow Caltrans to relinquish the Tower Bridge, and includes expenditure authority of \$15 million necessary to bring the bridge up to a state of good repair.
- Adopts Governor's Budget proposal to implement SB 486 (DeSaulnier) which pilots a road usage charge.
- Adopts a State Transit Assistance funding criteria eligibility change to allow state transit agencies
- Funds Amtrak contract changes, pursuant to federal government requirements.

High Speed Rail Authority

- Approves 35 positions for additional oversight positions
- Adopts changes to project reporting language and the peer review group membership.

Department of Motor Vehicles

- Approves \$2.5 million Motor Vehicle Account funding to strengthen the security of its information technology systems at DMV
- Adopts trailer bill language to increase the number of green decal stickers in the Clean Air Vehicle “Green Sticker” program from 70,000 to 85,000.
- Approves various capital outlay requests for DMV, including \$4.7 million from the MVA for pre-construction activities, to replace three DMV offices. This funds the initial phase of the Administration’s plan to replace eight DMV offices over the next several years.

STATE ADMINISTRATION**California Arts Council**

- Provides \$7.144 million ongoing funding and two additional permanent positions to restore funding for the Arts Council.

Department of Insurance

- Provides \$3 million for FY 2015-16 to expand and fund the Brace and Bolt mitigation program.
- Provides a one-time increase of expenditure authority in 2015-16 of \$2,777,000 (\$1,527,000 General Fund, and \$1,250,000 Insurance Fund) to support four limited-term positions and three and a half temporary help position authority to complete the second year implementation of the CDI Menu Modernization project.
- Includes a Federal Fund appropriation of \$589,500 (\$452,000 for 2015-16 and \$137,500 for 2016-17) for a two-year period to allow the Department of Insurance to draw down federal grant monies awarded on September 19, 2014.
- Provides \$280,000 (Insurance Fund) increase in expenditure authority for fiscal year 2015-16 and \$264,000 (Insurance Fund) for fiscal year 2016-17 and ongoing for two permanent attorney positions that are responsible for policy review related to the Patient Protection and Affordable Care Act (ACA) and related state legislation.
- Increases expenditure authority in 2015-16 and ongoing, to fund workers compensation fraud investigation and prosecution workload increases. Additionally, CDI is requesting 15.0 permanent positions in fiscal year 2015-16, and 18.0 permanent positions ongoing to support this workload.

Housing and Community Development (HCD)

- Includes \$3.5 million for the Office of Migrant Services for farmworker housing.
- Extends the liquidation period for Infill Infrastructure Grant (IIG) awards, Transit Oriented Development (TOD), and Begin Equity and Growth in Neighborhoods (BEGIN) program funds.
- Provides \$871,000 General Fund for seven existing positions at HCD for housing element review. The positions are currently funded through various sources that were established as temporary funding solutions given the challenges with the General Fund over the last several years.

- Includes a State Operations augmentation of \$952,000 in 2015-16, \$928,000 in 2016-17, and \$464,000 in 2017-18 to fund eight permanent positions to issue building permits, perform construction inspections, and other supportive services for manufactured home parks converting from park-owned utility systems to public utility owned systems as a result of the recent California Public Utilities Commission (CPUC) decision.

Franchise Tax Board

- Includes additional resources for the Enterprise to Data Revenue (EDR) Project related to resources for Program and IT costs including:
 - \$2.5 million, 25 permanent positions and eight two-year limited-term positions in 2015-16 to support the Fraud program and the Authenticated Live Chat program associated with the EDR program.
 - \$44.7 million (\$41.2 million for the Solution Provider payment) and 20 three-year limited-term positions in 2015-16 to continue implementation of the EDR project.
 - Additional resources to implement the Crawl, Walk, Run portion of the Enterprise Data to Revenue (EDR) project to ensure that the project continues on its path of success.

Local Government

- Includes augmentations for Amador, San Mateo and Alpine counties.
- Includes trailer bill language requiring the Department of Finance in consultation with the Legislative Analyst's Office and the Secretary of State to convene a working group to evaluate election-related state mandates.

Department of Human Resources

- Adopts trailer bill language to establish the state's policy regarding the use of additional appointments. The proposed trailer bill language will establish CalHR's authority to set policies directing the appropriate use of additional appointments.
- Includes one permanent position and \$122,000 (reimbursement authority) in 2015-16 and \$113,000 ongoing, to expand the existing Healthier U state employee workplace wellness pilot program to additional worksites.

Employee Compensation

- Amends provisional language relating to the existing Joint Legislative Budget Committee review process for side letters, appendices, or other addenda to a properly ratified memorandum of understanding.
- Deletes Government Code Section 12439 related to practices on vacant positions and adopts budget bill language to create transparency in the position reconciliation process.
- Adopts language to address retiree health care, including placing restrictions on when the money in the prefunding accounts can be used to pay benefits for state annuitants, creating an eligibility verification process, and expanding the definition of prefunding to add periodic payments by an employee.

Department of Technology

- Establishes a Project Management Office at the Department of Technology, with reporting language.

Department of Industrial Relations

- Includes resources to implement four legislative proposals for the Department of Industrial Relations (DIR) for 2015-16 including:
 - Nine positions and \$1.011 million in 2015-16, and \$940,000 ongoing to implement AB 1522 (Gonzalez, Chapter 317, Statutes of 2014), AB 2272 (Gray, Chapter 900, Statutes of 2014), SB 1299 (Padilla, Chapter 842, Statutes of 2014), and SB 1300 (Hancock, Chapter 519, Statutes of 2014).
- Increases authority of \$4.4 million (Elevator Safety Account) and 27.5 positions in 2014-15, and \$4.1 million ongoing, to reduce inspection backlogs and help the division meet permitting mandates. Additionally, include trailer bill language to suspend the fee for annual inspections in the 2015-16 fiscal year, and to allow for the fee for annual inspections to be suspended in future years, if necessary, to reduce any surplus fund balance.

Labor and Workforce Development Agency

- Provides an increase of \$148,000 (General Fund) and one position in 2015-16 and 2016-17 to develop and implement a pilot program to prevent abuses in the recruitment of H-2A temporary workers and to improve the coordination and effectiveness of the various entities under the Agency responsible for serving and protecting the state's more than 800,000 farmworkers.

Employment Development Department

- Provides \$50 million in special funds (\$22.2 million from the Contingent Fund and \$27.8 million of the Benefit Audit Fund) in 2015-16 to provide staff and overtime funding to support Unemployment Insurance (UI) Program service levels. Additionally, an update of federal funds reduced federal authority by \$8.9 million in the May Revise.
- Includes budget bill language that states that if the need is demonstrated, the Department of Finance can increase by up to \$1 million the allocation for the utilization of the State's Paid Family Leave program.

Agricultural Labor Relations Board

- Adopts \$1.627 million (General Fund) and 13 positions to support and expand the Agricultural Labor Relations Board services to farmworkers, improve the timeliness of hearings, and increase efficiency and accountability.

California Science Center

- Provides trailer bill language for the Phase III for the purpose the Foundation developing, constructing, equipping and furnishing the project known as the Phase III Air and Space Center.
- Includes funding for the Office of Exposition Park Management (OPEM) to provide funding to continue management of the Department of Public Safety by the California Highway Patrol. The resources are need by Exposition Park to provide the professional safety and security for both the millions of visitors to the park and employees.
- Adopts \$176,000 (\$115,000 one-time) from the Exposition Park Improvement Fund for the California African American Museum (CAAM) to provide funding for a competitive recruitment of a new Executive Director, improve energy and water use efficiency, and increase museum safety and security.

State Controller's Office

- Includes 8.0 one-year limited-term positions and \$12,544,000 (\$4,397,000 General Fund, \$1,685,000 Reimbursements, and \$6,462,000 Special Funds) in 2015-16 to support ongoing legal activities as a result of the 21st Century Project. Additionally, includes trailer bill language for the project and provisional budget bill language.
- Provides four permanent positions and \$581,000 in 2015-16, and \$857,000 in 2016-17, and ongoing for the Unclaimed Property Fund to enhance the SCO's online eClaim paperless claim process with the purpose of uniting unclaimed property to its owners.
- Adopts 5.3 permanent positions and \$592,000 (Non-Governmental Cost Fund, Special Fund, and Bond Fund) beginning in 2015-16 and \$581,000 ongoing to address the

increased reporting workload associated with the preparation of the annual Budgetary/Legal Basis Report (BLBR) and the Comprehensive Annual Financial Report (CAFR).

State Treasurer's Office

- Provides \$650,000 for compensation for existing STO staff in authorized positions for personal services budgets.
- Provides 11 positions (mix of permanent and limited-term) and \$1.4 million (reimbursements and special funds) for the STO for upgrades and improvements to the STO information technology (IT) technical services.
- Includes \$1,382,000 in expenditure and reimbursement authority for 2015-16 to continue the DMS II project, which was originally authorized in 2013-14 Budget Act. DMS II will implement a replacement system for the STO's existing debt management systems. Require STO to report by October 2015 on the project to the Legislature.

Board of Equalization

- Adopts supplemental reporting language on the Revenue Recovery and Collaborative Enforcement (RRACE) Plan, which was included in AB 576 (V. Manuel Perez, Chapter 614, Statutes of 2013).
- Provides \$5.7 million (special funds) and 22.3 positions in 2015-16 and \$2.6 million (special funds) and 18.9 positions in 2016-17, and ongoing, to implement the provision under AB 1717 (Perea, Chapter 885, Statutes of 2014). Additionally, includes budget bill language and trailer bill language.
- Includes budget bill language requiring the BOE in consultation with the Department of Justice and DOF to develop and report on a proposal for a statutory change related to reducing the cigarette and tobacco tax program costs.

Governor's Office of Business and Economic Development

- Approves \$1,152,000 and nine positions in 2015-16, and \$802,000 ongoing, to implement and administer the Film and Tax Credit Program authorized by AB 1839 (Gatto, Chapter 413, Statutes of 2014).
- Adopts \$2 million on a one-time basis as a match to draw down federal funds that will be made available to the Small Business Development Center Network. The funding is identical to funding provided in the 2014 Budget Act.

California Alternative Energy and Advanced Transportation Financing Authority

- Provides increased reimbursement and expenditure authority to continue the administration of the ratepayer-funded California Hub for Energy Efficiency Financing (CHEEF) Pilot Programs. Adopt supplemental reporting language to report back on energy efficiency programs.
- Adopts provisional language to extend the repayment date of loans made by the Renewable Resource Trust Fund (RTTF) to the California Alternative Energy Authority Fund from June 30, 2016 to be fully repaid by June 30, 2019.

Department of General Services

- Includes \$9.3 million (General Fund) one-time augmentation to continue remediation efforts associated with the Mercury Cleaners building site, a state-owned property located at 1419 16th Street, Sacramento, CA.

Commission on Status of Women and Girls

- Approves of \$500,000 and two additional positions for the Commission on Status of Women and Girls.

Statewide Director of Immigrant Integration

- Creates a Statewide Director of Immigrant Integration to serve as the statewide lead for the planning and integration of immigrant services and policies in California. Also creates the Immigration Integration Fund.

Department of Veterans Affairs

- Provides \$3 million to continue funding for the County Veterans Service Officers.
- Provides ongoing funding for the “Strike Force” teams located at the USDVA offices throughout California to continue to reduce the backlog of Veterans benefit claims.

Secretary of State

- Provides \$2.4 million General Fund to support SOS and DMV to upgrade the Online Motor Voter Registration Proposal.
- Approves spending authority of \$7.8 million for the continuation of the California Business Connect project which will modernize the business filing system at the Secretary of State.

Department of Consumer Affairs

- Approves increase of 10 positions for the Bureau of Private Postsecondary, and provides \$1 million to reduce the Bureau's backlog in the licensing and complaint unit.
- Provides permanent position authority for requested positions, and includes funding on a three-year limited-term basis. Spreads the additional costs for the project, \$23.3 million Special Funds, across boards and bureaus in all three releases, as proposed in the April 1 Finance Letter.

Fair Political Practices Commission

- Approves of \$651,000 for the Commission to purchase a Modified-Off-the-Shelf system to automate the automatic and electronic filing of Form 700s.

Office of Planning and Research

- Includes \$5 million to help fund the cost of hosting the Special Olympics World Games in Los Angeles during July 2015.
- Reflects \$155,000 in increased federal funds for the Department of Defense Office of Economic Adjustment grant
- Allows funding for precision medicine that is contracted through UC and CSU to be exempted from competitive bidding.

PUBLIC SAFETY**Judicial Branch**

- Adds \$11 million to the Dependency Counsel program with the intent of reducing attorney-client ratios for foster children and their parents.
- Provides a one-time increase of \$1.3 million to support the state's Collaborative Court system.
- Provides the Judicial Branch with the resources necessary to implement the provisions of Proposition 47 (2014).
- Increases funding by \$15.5 million to backfill identified revenue shortfalls.
- Authorizes a delinquent court ordered debt amnesty program intended to bring in additional revenues for courts and counties while providing a pathway for many low-income Californians to regain their driving privileges.

Specifically, participating individuals can reduce their debts by 50-percent, reduce administrative fees from \$300 to \$50, and have their drivers' licenses reinstated. This proposal is projected to generate \$150 million which will help to avoid future revenue shortfalls.

- Authorizes resources for the following Courthouse projects:
 - El Dorado County: New Placerville Courthouse
 - Inyo County: New Inyo County Courthouse
 - Los Angeles County: New Eastlake Juvenile Courthouse
 - Mendocino County: New Ukiah Courthouse
 - Glenn County: Renovation and addition to the Willows Courthouse

California Department of Corrections and Rehabilitation

- Decreases the CDCR's budget by \$73.3 million related to the projected reduction of nearly 4,000 out-of-state, contract prison beds by the end of the year. Much of the reduction in, out-of-state, contract prison beds is being attributed to the passage of Proposition 47 (2014).
- Provides the CDCR with the resources necessary to implement the provisions of Proposition 47 (2014).
- Approves \$2.6 million for the CDCR to continue contracts with the California Prison Industries Authority's Career Technical Education (CTE) program. This funding will support CTE programming for 342 inmates (228 females and 114 males). These programs include: organized labor partnered/sponsored pre-apprenticeship programs in carpentry, construction labor, ironworking, and facilities maintenance. Additional programs proposed

for funding by this request include marine technology, computer-aided design, and computer coding.

- Authorizes a \$76.4 million augmentation and 714.7 new positions to support the court ordered level of medical staffing at the new California Health Care Facility in Stockton.
- Requires the CDCR to release a report that provides an updated comprehensive plan for the state prison system, including a permanent solution for the future of the California Rehabilitation Center in Norco CA. The report will be submitted as part of the 2016-17 Governor's Budget in January of 2016.

Recidivism Reduction

- Adopts a \$19 million plan intended to reduce recidivism. The plan consists of the following:
 - \$6.9 million for drug treatment inside CDCR facilities.
 - \$1.3 million to award additional Collaborative Courts grants.
 - \$500,000 for an independent evaluation of appropriateness and effectiveness of CDCR's career technical education programs.
 - \$1.7 million for the Mentally Ill Offender Crime Reduction Grant (MIOCR) program.
 - \$3 million for grants to community based organizations currently providing innovative programming in prisons.
 - \$4 million for grants to community based organizations currently providing innovative programming in California's communities.
 - \$1.5 million in support of Workforce Investments Boards.

California Military Department

- Approves \$779,000 to cover Military Department costs associated with the 2015 Special Olympics World Games.
- Authorizes resources aimed at reducing the unemployment rate among California Service Members. The Work for Warriors Program is open to all currently serving National Guard and Reserve personnel, Post 9/11 Veterans, and their families.

Office of Emergency Services

- Provides \$22.2 million for the Office of Emergency Services to support local jurisdictions using the California Disaster Assistance Act program for approved drought-related projects.
- Allocates \$200,000 to add texting as a platform for providing crisis intervention counseling.

- Provides \$10 million to support grants for community groups providing services to human trafficking victims.
- Provides \$2 million for nonprofit organizations to fortify their facilities against terrorist attacks.
- Includes a plan for bridging existing gaps in the state's ability to respond to catastrophic train derailments.

California Highway Patrol

- Approves \$1 million to support a body camera pilot program for CHP officers.
- Continues to provide resources for the planned upgrade of CHP radio systems, aircraft and area offices.

Local Public Safety

- Provides California's Probation Departments with the resources necessary to implement the provisions of Proposition 47 (2014) and several court imposed prison population reduction measures.
- Increases Community Corrections Performance Incentive Grants to local probation departments by \$1.1 million in 2015-16 bringing total program funding to \$125.8 million.
- Updates the Community Corrections Performance Incentive Grant Program (SB 678) allocation methodology to account for the complexities of the 2011 Public Safety Realignment.
- Provides \$20 million for city law enforcement grants in exchange for data on use of force.
- Authorizes up to \$6 million for programs and initiatives intended to strengthen relationships between law enforcement and the communities they serve.
- Provides \$5 million for local public safety infrastructure projects.